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

OF

MANALI PETROCHEMICALS LIMITED FOR THE YEAR 2022-2023

Company Registration No.: 201534952W

AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED
(Incorporated in Singapore)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED
(Incorporated in Singapore)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

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AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED
(Incorporated in Singapore)

GENERAL INFORMATION

Directors

Ashwin Chidambaram Muthiah
Srikanth Sashikala
Ramaswamy Chockalingam

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)

DIRECTORS' STATEMENT

The directors present their statement to the member together with the audited financial statements of AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED (the "Company") for the financial year ended 31 March 2023.

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 2023 and the 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.

DIRECTORS

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

Ashwin Chidambaram Muthiah
Srikanth Sashikala
Ramaswamy Chockalingam

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

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

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors holding office at the end of the financial year had no interest in shares or debentures of the Company or its related corporations at the beginning and end of the financial year as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967, except as detailed below:

DIRECTORS' STATEMENT (...CONT'D)

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

	Holdings registered in the name of director		Holdings in which a director is deemed to have an interest	
	As at 01.04.22	As at 31.03.23	As at 01.04.22	As at 31.03.23
	No. of ordinary shares		No. of ordinary shares	
The Company				
Ashwin Chidambaram Muthiah			6,173,237	19,330,814
The holding company				
Manali Petrochemicals Limited				
Ashwin Chidambaram Muthiah	13,648	13,648	64,659,802	64,659,802

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.

On behalf of the Board of Directors,

Ashwin Chidambaram Muthiah
Director

Ramaswamy Chockalingam
Director

17 May 2023

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 37, which comprise the statement of financial position of the Company as at 31 March 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967, (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 2023 and of the financial performance, changes in equity and cash flows of the Company for the financial 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, the Directors' Statement set out on pages 2 to 3 and the accompanying Schedule of Other Operating Expenses.

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

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

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Company Registration No.: 201409251H

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 directors' 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 of 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.

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Company Registration No.: 201409251H

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.

JBS PRACTICE PAC
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS

Singapore

17 May 2023

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Company Registration No.: 201409251H

AMCHEM SPECIALITY CHEMICALS PRIVATE LIMITED
(Incorporated in Singapore)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 US$	2022 US$
ASSETS			
Current assets			
Cash and cash equivalents	4	10,904,300	619,912
Trade and other receivables	5	85,201	4,024,339
Prepayment		2,160	1,614
		10,991,661	4,645,865
Non-current assets			
Plant and equipment	6	-	-
Investment in subsidiaries	7	46,363,518	15,170,600
		46,363,518	15,170,600
Total assets		57,355,179	19,816,465
LIABILITIES			
Current liabilities			
Trade and other payables	8	5,490,817	3,131,662
Income tax payable		2,987	65,168
Total liabilities		5,493,804	3,196,830
NET ASSETS		51,861,375	16,619,635
SHAREHOLDER'S EQUITY			
Share capital	9	51,421,208	16,421,208
Retained profit		440,167	198,427
TOTAL EQUITY		51,861,375	16,619,635

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 2023

	Note	2023 US$	2022 US$
REVENUE			
Sales	10	980,000	19,929,236
Other income	11	2,501,289	294,331
Total revenue		3,481,289	20,223,567
EXPENSES			
Purchases consumed	12	109,512	17,334,658
Depreciation of plant and equipment	6	-	273
Employee benefits expense	13	874,192	2,302,570
Other operating expenses	14	2,156,845	160,744
Total expenses		3,140,549	19,798,245
Profit before income tax		340,740	425,322
Income tax expense	15	(99,000)	(169,974)
Net profit, representing total comprehensive income for the year		241,740	255,348

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 2023

	Note	Share capital US$	Retained profit US$	Total US$
2023				
Balance as at 1 April 2022		16,421,208	198,427	16,619,635
Issuance of new shares	9	35,000,000	-	35,000,000
Net profit, representing total comprehensive income for the year		-	241,740	241,740
Balance as at 31 March 2023		51,421,208	440,167	51,861,375
2022				
Balance as at 1 April 2020		16,421,208	(56,921)	16,364,287
Net profit, representing total comprehensive income for the year		-	255,348	255,348
Balance as at 31 March 2022		16,421,208	198,427	16,619,635

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 2023

	Note	2023 US$	2022 US$
Cash Flows From Operating Activities			
Profit before income tax		340,740	425,322
Adjustments for:			
Interest income	11	(31,396)	-
Dividend income	11	(2,253,517)	-
Exchange loss		987,181	-
Depreciation of plant and equipment	6	-	273
Operating cash flow before changes in working capital		(956,992)	425,595
Changes in working capital:			
Trade and other receivables		3,970,532	(3,970,766)
Trade and other payables		(3,063,003)	2,897,742
Prepayment		(546)	137
Cash used in operations		(50,009)	(647,292)
Income tax paid		(50,389)	(35,056)
Withholding tax paid		(110,791)	(89,600)
Net cash used in operating activities		(211,189)	(771,948)
Cash Flows From Investing Activities			
Acquisition of subsidiary		(24,504,423)	-
Purchase of plant and equipment	6	-	(273)
Net cash used in investing activities		(24,504,423)	(273)
Cash Flows From Financing Activity			
Proceeds from issuance of share capital	9	35,000,000	-
Net cash generated from financing activity		35,000,000	-
Net increase/ (decrease) in cash at bank		10,284,388	(772,221)
Cash and cash equivalents at beginning of the financial year		619,912	1,392,133
Cash and cash equivalents at end of the financial year	4	10,904,300	619,912

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

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

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 2023 were authorised for issue by the directors on 17 May 2023.

2. SIGNIFICANT ACCOUNTING POLICIES

a) <u>Basis of preparation</u>

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

On 1 April 2022, the Company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are mandatory for application from that date. The adoption of these new and revised FRSs and INT FRSs have no material effect on the amounts reported for the current or prior financial years.

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

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

b) Currency translation

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

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

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

c) Plant and equipment

(i) Measurement

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

Components of costs

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

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

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

(ii) Depreciation

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

	Useful lives
Computers	1 year

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

(iii) Subsequent expenditure

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

(iv) Disposal

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

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

d) Financial assets

(i) Classification and measurement

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

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

At subsequent measurement

(a) Debt instruments

Debt instruments mainly comprise of cash at bank, trade 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.

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

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

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

At subsequent measurement (...cont'd)

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

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss.

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

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

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

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

(ii) *Impairment*

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

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

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

For all other financial instruments, the Company recognises 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.

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

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

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

Write-off policy

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

(iii) Recognition and derecognition

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

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

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

e) Offsetting financial instruments

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

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

f) Investment in subsidiaries

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

g) Financial liabilities

Financial liabilities comprised of trade and other payables.

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

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

h) Fair value estimation of financial assets and liabilities

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

i) Provisions

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

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

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

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

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

j) Impairment of non-financial assets

Plant and equipment
Investment in subsidiaries

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

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

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

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease. An impairment loss for an asset is reversed only if, there has been a change in the estimates used to determine the assets 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.

k) Share capital

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

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

l) Income tax

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

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

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

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

Deferred income tax is measured:

(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).

m) Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

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

n) 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 further payment obligations once the contributions have been paid.

o) Revenue recognition

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

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

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

(ii) Revenue from sales of goods is recognised at a point in time when the controls of goods (i.e. risk of obsolescence and loss of shipment) are transferred to the customers.

(iii) Dividend income is recognised when the right to receive payment is established.

(iv) 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.

(v) Interest income is recognised using the effective interest rate method.

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

p) Leases

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

Short term and low value leases

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

q) Goods and Services Tax (GST)

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

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The presentation of financial statements in conforming to FRS requires the use of certain critical accounting estimates, assumptions and judgements in applying the accounting policies. These estimates, assumptions 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.

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

(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 subsidiaries are tested for impairment whenever there is objective evidence or indication that those assets may be impaired. Determining whether investment in subsidiaries are impaired requires an estimation of value-in-use of the investment in subsidiaries. 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 AND CASH EQUIVALENTS

	2023 US$	2022 US$
Cash at banks	794,598	619,912
Fixed deposits	10,109,702	-
	10,904,300	619,912

The Company's cash and cash equivalents are denominated in the following currencies:

	2023 US$	2022 US$
Singapore dollars	91,934	115,152
Great British pounds	313,645	416,415
United States dollars	10,498,721	88,345
	10,904,300	619,912

5. TRADE AND OTHER RECEIVABLES

	2023 US$	2022 US$
Trade receivables		
- Third parties	-	3,875,683
Other receivables		
- Advance to staff	7,773	7,773
- GST recoverable	785	680
- Interest receivable	31,396	-
- Amount due from subsidiary	45,247	45,247
- Amount due from holding company	-	94,956
	85,201	4,024,339

Trade and other receivables are non-interest bearing with credit terms being 0 to 180 days. Trade receivables are recognised at their original invoiced amounts which represent their fair values on initial recognition. The trade and other receivables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

The amounts due from subsidiary and holding company are unsecured, interest free and repayable on demand. There is no allowance for doubtful debts arising from the outstanding balance as the estimated credit loss is not material.

The Company's trade and other receivables are denominated in the following currencies:

	2023 US$	2022 US$
Singapore dollars	8,558	8,453
Great British pounds	45,247	140,203
United States dollars	31,396	3,875,683
	85,201	4,024,339

6. PLANT AND EQUIPMENT

	Computers US$	Total US$
2023		
Cost		
At 1 April 2022 and 31 March 2023	3,263	3,263
Accumulated depreciation		
At 1 April 2022 and 31 March 2023	3,263	3,263
Carrying amount		
At 31 March 2023	-	-

	Computers US$	Total US$
2022		
Cost		
At 1 April 2021	2,990	2,990
Additions	273	273
At 31 March 2022	3,263	3,263
Accumulated depreciation		
At 1 April 2021	2,990	2,990
Charge for the year	273	273
At 31 March 2022	3,263	3,263
Carrying amount		
At 31 March 2022	-	-

7. INVESTMENT IN SUBSIDIARIES

	2023 US$	2022 US$
Unquoted equity shares, at cost		
At the beginning of the year	15,170,600	15,170,600
Additions	46,363,518	-
Return of investment on strike-off/liquidation	(15,170,600)	-
At the end of the year	46,363,518	15,170,600

The details of the subsidiaries as at 31 March 2023 are as follows:

Name of subsidiary/country of incorporation	Principal activities	Proportion of ownership interest 2023 %	2022 %
Amchem Speciality Chemicals UK Limited * (United Kingdom)	Investment holdings	-	100
Notedome Limited** (United Kingdom)	Manufacturing and distributing of polyurethanes cast	100	100
Penn Globe Limited *** (United Kingdom)	Trading of silicone based products and chemicals	100	-
Held by Penn Globe Limited			
Penn-White Limited (United Kingdom)	Trading of silicone based products and chemicals	100	-
Penn-White Print Solutions Limited (United Kingdom)	Trading of silicone based products and chemicals	100	-

* Amchem Speciality Chemicals UK have filed an application for strike-off/liquidation with statutory authority and awaiting approval.

** Notedome Limited became a direct subsidiary as a part of the strike-off/liquidation process and the entire shares have been transferred to the Company

*** Penn Globe Limited was acquired by the Company on 30 November 2022.

8. TRADE AND OTHER PAYABLES

	2023 US$	2022 US$
Trade payables:		
- Third parties	-	3,116,500
Other payables:		
- Third parties (a)	120,779	-
- Subsidiary (b)	3,504,702	
- Provision for contingent consideration (c)	1,796,677	
Accruals for - operating expenses	16,053	8,905
- staff costs	3,524	6,257
- professional fees	49,082	-
	5,490,817	3,131,662

Trade payables are recognised at their original invoiced amounts which represents their fair values on initial recognition. The trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

(a) Other payables to third parties represent the balance consideration payable to the sellers as per terms and conditions of share purchase agreement dated 30 November 2022.

(b) Other payables to a subsidiary represent the takeover of outstanding loan obligation from the sellers to subsidiary as part of consideration as per the share purchase agreement dated 30 November 2022.

(c) Performance payment payable to the sellers by the Company as an additional consideration for the sale shares upon achieving of certain financial conditions as per the terms and conditions of share purchase agreement dated 30 November 2022. The maximum performance payment which can be made is GBP 1,500,000.

The Company's trade and other payables are denominated in the following currencies:

	2023 US$	2022 US$
Singapore dollars	19,577	15,162
Great British Pounds	5,471,240	-
United States dollars	-	3,116,500
	5,490,817	3,131,662

9. SHARE CAPITAL

	2023	2022	2023	2022
	Number of ordinary shares issued		US$	US
Balance at beginning of the financial year	16,421,208	16,421,208	16,421,208	16,421,208
Shares issued	35,000,000	-	35,000,000	-
Balance at the end of the financial year	51,421,208	16,421,208	51,421,208	16,421,208

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

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

10. SALES

	2023 US$	2022 US$
Consultancy income	980,000	949,315
Sales of goods	-	18,979,921
	980,000	19,929,236
Primary geographical markets		
India	980,000	880,000
United Kingdom	-	1,303,138
Singapore	-	6,268,678
Hong Kong	-	11,477,420
	980,000	19,929,236
Timing of transfer of good or service		
Over time	980,000	949,315
A point in time	-	18,979,921
	980,000	19,929,236

10. SALES (...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:

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

Nature of goods	The Company generates revenue from trading of petrochemical products.
When revenue is recognised	Income from sales of goods is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied (i.e. at a point in time)
Significant payment terms	Payment is due within 30 days since the customer purchases the goods.

11. OTHER INCOME

	2023 US$	2022 US$
Commission and reimbursement received	-	291,248
Dividend income	2,466,265	-
Government grant – Job support scheme	864	3,083
Interest income – Fixed deposits	31,396	-
– Current account	2,764	-
	2,501,289	294,331

12. PURCHASES CONSUMED

	2023 US$	2022 US$
Purchases	109,512	17,334,658

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (...CONT'D)

13. EMPLOYEE BENEFITS EXPENSE

	2023 US$	2022 US$
Director's remuneration	232,829	74,750
Director's CPF	10,420	7,074
Staff salaries and bonus	577,664	2,160,812
Staff's CPF	16,304	17,331
Skill development fund	288	293
Staff insurance	1,397	-
Medical fees	35,290	42,310
	874,192	2,302,570

14. OTHER OPERATING EXPENSES

	2023 US$	2022 US$
Professional fees	951,334	72,167
Foreign exchange loss	999,579	34,877
Travelling expenses	9,602	12,837
Rental of office equipment (lease not capitalised in lease liability)	211	225
Rental of office premises (lease not capitalised in lease liability)	27,359	27,896
Stamp duty	149,378	-
Others	19,382	12,742
	2,156,845	160,744

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (...CONT'D)

15. INCOME TAX EXPENSE

	2023 US$	2022 US$
Current tax:		
- Current year's provision	-	65,168
- (Over)/under provision of prior year taxation	(11,791)	15,206
Foreign tax paid – withholding tax	110,791	89,600
	99,000	169,974

The current year's income tax expense varied from the amount of income tax determined by applying the applicable Singapore statutory income tax rate of 17% (2022: 17%) to the profit before income tax as a result of the following differences:

	2023 US$	2022 US$
Profit before income tax	340,740	425,322
Income tax expense at statutory rate	57,926	72,305
Non-allowable items	358,128	9,272
Non-taxable income	(419,265)	(524)
Foreign tax paid	110,791	89,600
Tax exemption	-	(12,919)
Tax relief	-	(2,966)
(Over)/under provision of prior year taxation	(11,791)	15,206
Others	3,211	-
	99,000	169,974

16. IMMEDIATE AND ULTIMATE HOLDING COMPANY

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

17. RELATED PARTY TRANSACTIONS

(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:

	2023 US$	2022 US$
Consultancy services income from holding company	480,000	480,000
Consultancy services income from related party	500,000	400,000
Consultancy services income from subsidiary	-	69,315
Consultancy fee paid to related party	109,512	-
Sale of goods to indirect subsidiary	-	1,233,823
Expenses paid on behalf of holding company	12,952	94,956
Expenses paid on behalf by related party	5,967	111
Rental expenses paid to a related party	27,359	27,147

(b) Compensation of key management personnel

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

	2023 US$	2022 US$
Short-term benefits	736,574	2,187,673
Post-employment benefits	15,798	16,263

18. LEASE COMMITMENTS

	2023 US$	2022 US$
Operating lease recognised as an expense in the financial year	27,570	28,121

At the end of the reporting period, the Company does not have any commitments in respect of non-cancellable operating leases for office space.

19. 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:

	SGD	GBP
	US$	US$
2023		
Financial assets		
Cash at bank	91,934	313,645
Trade and other receivables	8,558	45,247
	100,492	358,892
Financial liability		
Trade and other payables	(19,577)	(5,471,240)
Currency exposure on net financial assets	80,915	(5,112,348)

	SGD	GBP
	US$	US$
2022		
Financial assets		
Cash at bank	115,152	416,415
Trade and other receivables	8,453	140,203
	123,605	556,618
Financial liability		
Trade and other payables	(15,162)	-
Currency exposure on net financial assets	108,443	556,618

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

Financial risk factors (...cont'd)

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

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

At 31 March 2023, if the Singapore dollars and Great British pounds had strengthened/weakened by 3% and 7%, respectively (2022: 2% and 5%) against the United States dollars with all other variables including tax rate being held constant, the Company's profit or loss for the financial year would have been higher/lower approximately by:

	2023 US$	2022 US$
Singapore dollars	2,400	2,100
Great British pounds	357,900	27,900

(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.

(b) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The major class of financial assets of the Company is cash at bank, trade and other receivables. Cash at bank is placed with financial institution with good credit ratings. For credit exposures to customer, management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

As the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

The carrying amount of trade receivables represents the Company's maximum exposure to credit risk. The trade receivables of the Company comprise Nil (2022: 3) debtors that individually represented NIL (2022: 8% to 56%) of trade receivables.

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

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

The credit risk for trade receivables based on the information provided to key management were as follows:

	2022
	US$
By geographical areas	
Singapore	3,584,435
Dubai	291,248
	3,875,683
By type of customer	
Third parties	3,875,683

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 180 days or there is significant difficulty of the counterparty.

The Company has applied the simplified approach by using the provision matrix to measure lifetime expected credit for trade receivables. Based on assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections, and available press information, if available, and applying experienced credit judgement), these exposures are considered to have low risk credit risk. Therefore impairment on these balances has been measured on the 12 months expected credit loss basis, and the amount of the allowance is insignificant.

Cash at bank, trade and other receivables are subjected to immaterial credit loss under FRS 109. As at the end of the reporting period, there were no material trade and other receivables that are subject to ECLs.

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

(c) *Liquidity risk*

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

Non-derivative financial liabilities

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

	2023 US$	2022 US$
On demand or within 1 year		
Trade and other payables	5,490,817	3,131,662

(d) *Fair values measurement*

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value.

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

The carrying amounts of trade receivables and trade payables approximate their fair values as they are subject to normal trade credit terms.

(e) *Fair values measurement*

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

	2023 US$	2022 US$
Financial assets		
Amortised cost:		
Cash at bank	10,904,300	619,912
Trade and other receivables	76,643	4,015,886
Financial liability		
Amortised cost:		
Trade and other payables	5,490,817	3,131,662

20. CAPITAL RISK MANAGEMENT

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

The Company is not subjected to externally imposed capital requirements and Company's overall strategies remained unchanged for the financial years ended 31 March 2023 and 31 March 2022.

21. NEW STANDARDS ISSUED BUT NOT YET EFFECTIVE

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

Description	Effective for annual periods beginning on or after
Amendments to FRS 1 *Presentation of Financial Statements*: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 *Presentation of Financial Statements* and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 *Income Taxes*: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

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

NOTEDOME LIMITED

STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

NOTEDOME LIMITED

COMPANY INFORMATION
for the year ended 31 March 2023

DIRECTORS:	A C Muthiah C M Bowry M Ravi G Nagarajan D Muthiah
REGISTERED OFFICE:	4 Golden Acres Lane Binley Industrial Estate Coventry West Midlands CV3 2RT
REGISTERED NUMBER:	01326364 (England and Wales)
AUDITORS:	Dafferns LLP Chartered Accountants Statutory Auditor One Eastwood Harry Weston Road Binley Business Park Coventry CV3 2UB

NOTEDOME LIMITED

STRATEGIC REPORT
for the year ended 31 March 2023

The directors present their strategic report for the year ended 31 March 2023.

REVIEW OF BUSINESS
Raw material shortages and high energy costs have been the main pain points during last year. The company has passed on majority of the costs to its end users and had to absorb rest of the costs which had adverse effect on margins.

However, through strategic sourcing company was able to navigate through the supply disruptions. Having raw materials on the ground helped us to cater steady demand across the globe and achieve increased turnover compared to last year.

KEY PERFORMANCE INDICATORS
Notedome monitor the following key performance indicators as a measure of financial performance and overall strength of the Company:

- Turnover - £10,147,775 (2022: £8,876,124).
- Gross profit % - 31% (2022: 33%).
- Profit before tax - £384,153 (2022: £149,568).

PRINCIPAL RISKS AND UNCERTAINTIES
We are now faced with challenges like High inflation, volatile exchange rate, regulatory changes to few key raw materials.

We will envisage to pass on incremental costs to the customers to the best extent possible. The ongoing regulatory landscape for our raw materials and finished products is continually monitored and changes here can often be to our advantage as we offer such a diverse range of polyurethane systems.

FUTURE DEVELOPMENTS AND RESEARCH & DEVELOPMENT
To maintain our product range and competitiveness significant investment continues to be made in research and development each year and this remains an ongoing priority for the Company. We will further strengthen our technical resources and labarotory infrastructure in the forthcoming year.

OUTLOOK
The Board is confident with its plans for growth and believe the Company is in a sound position and is well placed within its markets through continued development of new and existing product lines.

ON BEHALF OF THE BOARD:

G Nagarajan - Director

5 May 2023

REPORT OF THE DIRECTORS
for the year ended 31 March 2023

The directors present their report with the financial statements of the company for the year ended 31 March 2023.

PRINCIPAL ACTIVITY
The principal activity of the Company in the year under review was the manufacture and distribution of cast polyurethanes.

DIVIDENDS
Interim dividends per share were paid as follows:

£435.86	- 18 January 2023
£25.53	- 29 March 2023
£461.39	

The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 March 2023 will be £1,806,825.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

A C Muthiah
C M Bowry
M Ravi

Other changes in directors holding office are as follows:

G J Alderley - resigned 31 October 2022
G Nagarajan - appointed 18 January 2023
D Muthiah - appointed 18 January 2023

DISCLOSURE IN THE STRATEGIC REPORT
The Company has chosen in accordance with section 414C(11) to set out in the strategic report information required by this Schedule to be contained in the director's report in respect of future developments and research and development activities.

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 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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

G Nagarajan - Director

5 May 2023

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 2023 which comprise the Income Statement, Other Comprehensive Income, 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 '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 2023 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 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 relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the 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.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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

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

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.

- Enquiry of management around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Report of the Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NOTEDOME 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.

Andy Bewick FCCA (Senior Statutory Auditor)
for and on behalf of Dafferns LLP
Chartered Accountants
Statutory Auditor
One Eastwood
Harry Weston Road
Binley Business Park
Coventry
CV3 2UB

Date: 5 May 2023

INCOME STATEMENT
for the year ended 31 March 2023

	Notes	2023 £	2023 £	2022 £	2022 £
TURNOVER	4		10,147,775		8,876,124
Cost of sales			7,050,492		5,991,245
GROSS PROFIT			3,097,283		2,884,879
Distribution costs		551,170		463,121	
Administrative expenses		2,341,000		2,343,831	
			2,892,170		2,806,952
			205,113		77,927
Other operating income	5		181,015		84,699
OPERATING PROFIT	7		386,128		162,626
Interest receivable and similar income			953		3
			387,081		162,629
Interest payable and similar expenses	8		2,928		13,061
PROFIT BEFORE TAXATION			384,153		149,568
Tax on profit	9		37,134		18,341
PROFIT FOR THE FINANCIAL YEAR			347,019		131,227

OTHER COMPREHENSIVE INCOME
for the year ended 31 March 2023

	Notes	2023 £	2022 £
PROFIT FOR THE YEAR		347,019	131,227
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		347,019	131,227

The notes form part of these financial statements

BALANCE SHEET
31 March 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible assets	11		1,322,783		1,381,859
CURRENT ASSETS					
Stocks	12	1,454,988		1,870,793	
Debtors	13	2,726,710		4,553,709	
Cash at bank		1,413,678		772,463	
		5,595,376		7,196,965	
CREDITORS					
Amounts falling due within one year	14	1,556,674		1,754,533	
NET CURRENT ASSETS			4,038,702		5,442,432
TOTAL ASSETS LESS CURRENT LIABILITIES			5,361,485		6,824,291
PROVISIONS FOR LIABILITIES	17		56,000		59,000
NET ASSETS			5,305,485		6,765,291
CAPITAL AND RESERVES					
Called up share capital	18		3,916		3,916
Share premium	19		248,271		248,271
Capital redemption reserve	19		7,000		7,000
Retained earnings	19		5,046,298		6,506,104
SHAREHOLDERS' FUNDS			5,305,485		6,765,291

The financial statements were approved by the Board of Directors and authorised for issue on 5 May 2023 and were signed on its behalf by:

G Nagarajan - Director

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2023

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 April 2021	3,916	6,374,877	248,271	7,000	6,634,064
Changes in equity					
Total comprehensive income	-	131,227	-	-	131,227
Balance at 31 March 2022	3,916	6,506,104	248,271	7,000	6,765,291
Changes in equity					
Dividends	-	(1,806,825)	-	-	(1,806,825)
Total comprehensive income	-	347,019	-	-	347,019
Balance at 31 March 2023	3,916	5,046,298	248,271	7,000	5,305,485

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

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.

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

2. **STATEMENT OF COMPLIANCE**

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.

3. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions
The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

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

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, typically on dispatch of the goods.

Tangible fixed assets
Tangible fixed assets are recognised at cost and subsequently measured under the historical cost model being cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes any direct expenditure incurred to bring the asset to its current location and condition necessary for the asset to work as intended by management.

Repairs and maintenance costs are charged to the Income Statement in the period in which they are incurred.

Depreciation is calculated so as to write off the cost of tangible fixed assets by equal installments over their estimated useful lives as follows:-

Freehold property	- 2% on cost
Plant and machinery	- 4% to 22% on cost

Any gains and losses on the disposal of tangible fixed assets are recognised in the Income Statement in the year that the disposal takes place.

continued...

3. **ACCOUNTING POLICIES - continued**

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. The cost of raw materials includes all costs in bringing the product to its current location and condition, whilst the cost of finished goods incudes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Stocks are maintained on a weighted average basis.

As stocks are sold, the carrying amount of those stocks is recognised as an expense in the year in which the related revenue is recognised.

At each reporting date, stocks are assessed for impairment and due allowances are made for obsolete and slow-moving items to reduce the carrying amount of these goods to their estimated selling price less costs to complete and sell. The amount of any write-down is recognised as an expense in the year that the write-down occurs. The reversal of any previous write-down is recognised as a reduction in the amount of stock expensed in the year that the reversal occurs.

Financial instruments
Basic financial instruments in debtors and creditors with no stated interest rate, and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Income Statement in other administrative expenses.

Other financial assets and liabilities, such as 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.

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

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

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

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

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

 continued...

3. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits
The Company operates a defined contribution pension scheme for its employees. Contributions payable to the Company's pension scheme are charged to the Income Statement in the period to which they relate. A defined contribution plan is a pension scheme under which the Company pays fixed contributions into an independently administered fund and has no further obligations once the contributions have been paid.

4. TURNOVER

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

An analysis of turnover by class of business is given below:

	2023	2022
	£	£
United Kingdom	6,150,125	6,617,042
Europe	2,493,484	1,402,784
Rest of World	1,504,166	856,298
	10,147,775	8,876,124

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

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, typically on dispatch of the goods.

5. OTHER OPERATING INCOME

	2023	2022
	£	£
Royalties	155,781	84,699
Other Income	25,234	-
	181,015	84,699

6. EMPLOYEES AND DIRECTORS

	2023	2022
	£	£
Wages and salaries	1,200,521	979,664
Social security costs	130,882	101,059
Other pension costs	34,870	46,498
	1,366,273	1,127,221

The average number of employees during the year was as follows:

	2023	2022
Management	11	6
Engineering	14	15
Finance and administration	2	3
	27	24

continued...

6. EMPLOYEES AND DIRECTORS - continued

	2023	2022
	£	£
Directors' remuneration	239,160	173,691
Directors' pension contributions to money purchase schemes	2,252	3,121

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

Money purchase schemes	1	1

Information regarding the highest paid director for the year ended 31 March 2023 is as follows:

	2023
	£
Emoluments etc	100,000

7. OPERATING PROFIT

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

	2023	2022
	£	£
Depreciation - owned assets	66,792	121,042
Profit on disposal of fixed assets	-	(3,145)
Auditors' remuneration	14,000	12,750
Foreign exchange differences	33,120	34,025

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023	2022
	£	£
Bank interest	183	-
Bank loan interest	-	5,708
Other interest	-	2,685
Factoring charges	2,745	4,668
	2,928	13,061

9. TAXATION

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

	2023	2022
	£	£
Current tax:		
UK corporation tax	55,795	27,100
Prior year adjustment	(15,661)	(6,759)
Total current tax	40,134	20,341
Deferred tax	(3,000)	(2,000)
Tax on profit	37,134	18,341

continued...

9. TAXATION - continued

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2023 £	2022 £
Profit before tax	384,153	149,568
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	72,989	28,418
Effects of:		
Expenses not deductible for tax purposes	(6,793)	3,064
Depreciation in excess of capital allowances	10,659	-
Adjustments to tax charge in respect of previous periods	(15,661)	(6,759)
R&D enhancement	(21,060)	(21,060)
Deferred tax rate change and rounding differences	(3,000)	14,678
Total tax charge	37,134	18,341

10. DIVIDENDS

	2023 £	2022 £
Ordinary shares of £1 each		
Interim	1,806,825	-

11. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Totals £
COST			
At 1 April 2022	1,200,000	1,098,458	2,298,458
Additions	-	7,716	7,716
At 31 March 2023	1,200,000	1,106,174	2,306,174
DEPRECIATION			
At 1 April 2022	123,000	793,599	916,599
Charge for year	12,000	54,792	66,792
At 31 March 2023	135,000	848,391	983,391
NET BOOK VALUE			
At 31 March 2023	1,065,000	257,783	1,322,783
At 31 March 2022	1,077,000	304,859	1,381,859

Included in cost of land and buildings is freehold land of £600,000 (2022 - £600,000) which is not depreciated.

continued...

12. STOCKS

	2023	2022
	£	£
Raw materials	1,156,299	1,231,842
Finished goods	298,689	638,951
	1,454,988	1,870,793

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	2,525,748	2,357,101
Amounts owed by group undertakings	43,078	1,897,683
Other debtors	93,119	2,594
Tax	22,111	61,290
VAT	-	73,033
Prepayments and accrued income	42,654	162,008
	2,726,710	4,553,709

In the prior year, the balance owed by group undertakings included a £1,831,470 loan advanced to its former parent company, AMCHEM Specialty Chemicals UK Limited. The loan was repaid in full during the current year.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 15)	-	115,184
Trade creditors	1,236,059	1,433,057
Amounts owed to group undertakings	14,700	107,250
Social security and other taxes	53,007	25,748
VAT	203,859	-
Other creditors	20,499	32,573
Accrued expenses	28,550	40,721
	1,556,674	1,754,533

15. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year or on demand:		
Bank loans	-	115,184

continued...

16. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Bank loans	-	115,184

The invoice discounting facility is secured by the way of fixed and floating charges over the assets of the Company. In aggregate, there was no balance outstanding at the either the current or prior year end under this arrangement.

17. PROVISIONS FOR LIABILITIES

	2023	2022
	£	£
Deferred tax	56,000	59,000

	Deferred tax
	£
Balance at 1 April 2022	59,000
Accelerated capital allowances	(3,000)
Other timing differences	
Balance at 31 March 2023	56,000

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023	2022
			£	£
3,916	Ordinary	£1	3,916	3,916

continued...

19. **RESERVES**

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 April 2022	6,506,104	248,271	7,000	6,761,375
Profit for the year	347,019			347,019
Dividends	(1,806,825)			(1,806,825)
At 31 March 2023	5,046,298	248,271	7,000	5,301,569

Retained Earnings

The retained earnings account represents cumulative profits and losses net of dividends and other adjustments.

Share Premium

The share premium account represents the premium arising on the issue of shares net of issue costs.

Capital redemption reserve

This reserve records the nominal value of shares repurchased by the Company.

20. **PENSION COMMITMENTS**

The Company operates a defined contribution pension scheme for its employees. Contributions to the scheme during the financial year amounting to £32,618 (2022: £46,498) have been charged to the Income Statement. At 31 March 2023 a balance of nil (2022: £31,646) was outstanding.

21. **RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of paragraph 1.12(e) of the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year, a total of key management personnel compensation of £301,437 was paid.

22. **ULTIMATE CONTROLLING PARTY**

The Company's immediate parent company is AMCHEM Specialty Chemicals Private Limited, incorporated in Singapore.

The ultimate controlling party and the smallest and largest group in which the accounts of the Company are consolidated is that of Manali Petrochemicals Limited, incorporated in India. The registered office address of this company is Spic House, 88 Mount Road, Guindy, Chennai, India 600 032.

REGISTERED NUMBER: 09800657 (England and Wales)

PENN GLOBE LIMITED

GROUP STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD

1 SEPTEMBER 2022 TO 31 MARCH 2023

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

COMPANY INFORMATION
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

DIRECTORS:	M J Humphries A C Muthiah M Ravi C M Bowry D A Muthiah
REGISTERED OFFICE:	Unit 6, Aston Way Midpoint 18 Business Park Middlewich Cheshire CW10 0HS
REGISTERED NUMBER:	09800657 (England and Wales)
AUDITORS:	Clarke Nicklin LLP Chartered Accountants and Statutory Auditors Clarke Nicklin House Brooks Drive Cheadle Royal Business Park Cheadle Cheshire SK8 3TD

The directors present their strategic report of the company and the group for the period 1 September 2022 to 31 March 2023.

REVIEW OF BUSINESS
During the period the Penn Globe Limited group, was acquired by the Indian group Manali Petrochemicals Limited. The directors are excited by the opportunities this presents for the group to expand product offerings and distribution channels. Key staff remain in place and the supply of all finished goods will also continue being produced from our Middlewich site, an increased emphasis will also be put into R&D to enable the business to continue to grow into new market segments.

Despite global economic uncertainties with increasing inflation, currency fluctuation, the ongoing Ukrainian invasion, along with the after effects of the Coronavirus pandemic, the broad customer base and industry sectors have ensured that Turnover has remained strong and that the Gross Profit margin has increased to 36.0% (2022: £34.4%) in the period.

The Board is confident that despite the prevailing economic factors, strong demand and turnover levels will continue and that future growth can be achieved with continued improvements in market share and in the range of products being developed and supplied.

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

The Board of directors are pleased with the performance in the year.

PRINCIPAL RISKS AND UNCERTAINTIES

The group operates in a global economy, where the effect and uncertainty surrounding a post pandemic world along with the fluctuation of world currencies continue to lead to some potential risks and uncertainties for the future, though these are no different to any other industry operating in the global economy.

Raw material supply can be challenging, and the group regularly reviews stock levels. Risks associated with raw material supplies are mitigated by continuing to develop alternative products for current raw material usage and ensuring that the group has multiple suppliers for key raw materials.

Foreign currency exchange is regularly reviewed and monitored. The risk in currency fluctuation is managed monthly and the fact that the group sells and purchases goods in foreign currencies enables us to take advantage of the weak pound for exports with a converse off-set impact on purchases of foreign goods.

Due to the nature of the group's activities and the broad make up of customers the loss of a significant customer is not a major key risk to the group. However, it is the policy of the directors to maintain good relationships with, and provide high levels of service to, their customers to help reduce any possible exposure.

The aftermath of Coronavirus pandemic and ongoing Ukraine war has had limited impact on the financial performance of the business as most customers, operating in key industries globally, have traded throughout the period. Demand for the group's products remains very strong with record order books in place going forward into the next financial year.

Whilst under new corporate ownership, the group retains its core foundations which continues to allow the group to react quickly to any such risks and uncertainties and with the added comfort that it can use the strength of its liquidity and resources to counter any such risks.

Operating in a fast changing world market is managed by operating in several key industry sectors worldwide such as food, water, waste and recycling. These sectors will always have a demand for the group's products and across a wide geographic area. The group remains flexible to such needs and requirements to enable it to respond quickly where possible.

ON BEHALF OF THE BOARD:

....
M J Humphries - Director

Date: 10/05/2023 ....

The directors present their report with the financial statements of the company and the group for the period 1 September 2022 to 31 March 2023.

PRINCIPAL ACTIVITY
The principal activity of the group in the period under review was that of the trading of silicone based products and chemicals.

DIVIDENDS
The total distribution of dividends for the period ended 31 March 2023 will be £75,000 (2022: £nil).

DIRECTORS
M J Humphries has held office during the whole of the period from 1 September 2022 to the date of this report.

Other changes in directors holding office are as follows:

A H Hooley - resigned 30 November 2022
S J Whitehead - resigned 30 November 2022
J J Whitehead - resigned 30 November 2022
H M Whitehead - resigned 30 November 2022
R J Richardson - resigned 30 November 2022
J J Whitehead - resigned 30 November 2022
A C Muthiah - appointed 30 November 2022
M Ravi - appointed 30 November 2022
C M Bowry - appointed 18 January 2023
D A Muthiah - appointed 18 January 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Group 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 statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS
The auditors, Clarke Nicklin LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

....
M J Humphries - Director

Date: 10/05/2023 ....

Opinion

We have audited the financial statements of Penn Globe Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 March 2023 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement 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 '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 group's and of the parent company affairs as at 31 March 2023 and of the group's profit for the period 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group 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 appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Group 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 Group Strategic Report and the Report of the Directors have 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 group's and the parent 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 group or the parent 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Procedures to identify risks:

- enquiring of management concerning the group's procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas: timing of recognition of sales and purchases and their related stock movements, posting of unusual journals; and
- obtaining an understanding of the legal and regulatory frameworks that the group operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the group. The key laws and regulations we considered in this context included UK Companies Act, employment law, health and safety, pensions legislation and tax legislation.

The procedures to respond to risks identified included:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing correspondence with HMRC;
- testing the timing and matching of income and expense transactions relating to stock movements either side of the year end; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulation that are not closely related to events and transactions reflected in the financial statements. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detection one resulting from an error, as fraud may involve deliberate concealment, by for example, forgery or intentional misrepresentation, or through collusion.

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. 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.

Graham Travis FCA (Senior Statutory Auditor)
for and on behalf of Clarke Nicklin LLP
Chartered Accountants and
Statutory Auditors
Clarke Nicklin House
Brooks Drive
Cheadle Royal Business Park
Cheadle
Cheshire
SK8 3TD

Date: 10/05/2023

CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

	Notes	Period 1.9.22 to 31.3.23 £	£	Year ended 31.8.22 £	£
TURNOVER	3		8,611,311		15,855,851
Cost of sales			5,508,643		10,401,853
GROSS PROFIT			3,102,668		5,453,998
Distribution costs		296,773		639,617	
Administrative expenses		1,574,302		1,850,184	
			1,871,075		2,489,801
			1,231,593		2,964,197
Other operating income			200		76
OPERATING PROFIT	5		1,231,793		2,964,273
Interest receivable and similar income			97		53,503
			1,231,890		3,017,776
Interest payable and similar expenses	6		27,763		24,833
PROFIT BEFORE TAXATION			1,204,127		2,992,943
Tax on profit	7		271,096		535,895
PROFIT FOR THE FINANCIAL PERIOD			933,031		2,457,048
Profit attributable to:					
Owners of the parent			933,031		2,457,048

The notes form part of these financial statements

CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

	Notes	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
PROFIT FOR THE PERIOD		933,031	2,457,048
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		933,031	2,457,048
Total comprehensive income attributable to:			
Owners of the parent		933,031	2,457,048

The notes form part of these financial statements

PENN GLOBE LIMITED (REGISTERED NUMBER: 09800657)

CONSOLIDATED BALANCE SHEET
31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	10		349,524		425,308
Tangible assets	11		97,238		115,055
Investments	12		-		-
			446,762		540,363
CURRENT ASSETS					
Stocks	13	1,584,100		2,291,716	
Debtors	14	6,275,215		6,746,020	
Cash at bank		425,084		90,105	
		8,284,399		9,127,841	
CREDITORS					
Amounts falling due within one year	15	1,625,805		3,420,879	
NET CURRENT ASSETS			6,658,594		5,706,962
TOTAL ASSETS LESS CURRENT LIABILITIES			7,105,356		6,247,325
CAPITAL AND RESERVES					
Called up share capital	19		1,126		1,126
Retained earnings	20		7,104,230		6,246,199
SHAREHOLDERS' FUNDS			7,105,356		6,247,325

The financial statements were approved by the Board of Directors and authorised for issue on 10/05/2023 .... and were signed on its behalf by:

....
M J Humphries - Director

The notes form part of these financial statements

PENN GLOBE LIMITED (REGISTERED NUMBER: 09800657)

COMPANY BALANCE SHEET
31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Intangible assets	10		-		-
Tangible assets	11		-		-
Investments	12		2,522,516		2,522,516
			2,522,516		2,522,516
CURRENT ASSETS					
Debtors	14	2,925,987		-	
Cash at bank		1,096		5,571	
		2,927,083		5,571	
CREDITORS					
Amounts falling due within one year	15	2,469,643		27,390	
NET CURRENT ASSETS/(LIABILITIES)			457,440		(21,819)
TOTAL ASSETS LESS CURRENT LIABILITIES			2,979,956		2,500,697
CAPITAL AND RESERVES					
Called up share capital	19		1,126		1,126
Retained earnings	20		2,978,830		2,499,571
SHAREHOLDERS' FUNDS			2,979,956		2,500,697
Company's profit/(loss) for the financial year			554,259		(8,917)

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

The financial statements were approved by the Board of Directors and authorised for issue on 10/05/2023 .... and were signed on its behalf by:

....
M J Humphries - Director

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 September 2021	1,050	3,789,151	3,790,201
Changes in equity			
Issue of share capital	76	-	76
Total comprehensive income	-	2,457,048	2,457,048
Balance at 31 August 2022	1,126	6,246,199	6,247,325
Changes in equity			
Dividends	-	(75,000)	(75,000)
Total comprehensive income	-	933,031	933,031
Balance at 31 March 2023	1,126	7,104,230	7,105,356

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 September 2021	1,050	2,508,488	2,509,538
Changes in equity			
Issue of share capital	76	-	76
Total comprehensive income	-	(8,917)	(8,917)
Balance at 31 August 2022	1,126	2,499,571	2,500,697
Changes in equity			
Dividends	-	(75,000)	(75,000)
Total comprehensive income	-	554,259	554,259
Balance at 31 March 2023	1,126	2,978,830	2,979,956

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

	Notes	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
Cash flows from operating activities			
Cash generated from operations	24	(2,122,128)	1,720,837
Interest paid		(27,763)	(20,123)
Interest element of hire purchase or finance lease rental payments paid		-	(4,710)
Tax paid		(455,530)	(448,690)
Net cash from operating activities		(2,605,421)	1,247,314
Cash flows from investing activities			
Purchase of intangible fixed assets		(3,321)	-
Purchase of tangible fixed assets		(8,689)	(34,437)
Sale of tangible fixed assets		-	77,250
Purchase of subsidiary		-	(17,989)
Interest received		97	53,503
Net cash from investing activities		(11,913)	78,327
Cash flows from financing activities			
Capital repayments in year		-	(64,027)
Amount introduced by directors		3,027,313	8,744
Amount withdrawn by directors		-	(1,734,902)
Equity dividends paid		(75,000)	-
Net cash from financing activities		2,952,313	(1,790,185)
Increase/(decrease) in cash and cash equivalents		334,979	(464,544)
Cash and cash equivalents at beginning of period	25	90,105	554,649
Cash and cash equivalents at end of period	25	425,084	90,105

The notes form part of these financial statements

1. STATUTORY INFORMATION

Penn Globe Limited ("the Company") is a limited company incorporated in the United Kingdom. The address of its registered office and principal place of business is Unit 6, Aston Way, Midpoint 18 Business Park, Middlewich, Cheshire, CW10 0HS.

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.

The financial statements are presented in Sterling (£).

Going concern
The directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The directors have reached this conclusion giving due consideration to the projected future performance of the group and any potential risk that might impact the group's ability to meet its required solvency levels. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Basis of consolidation
The consolidated income statement and balance sheet include the financial statements of the company and its subsidiary undertakings. The results of subsidiaries acquired or sold during the period are included in the consolidated income statement from, or up to, the date control passes. Intra-group transactions are eliminated fully on consolidation.

On acquisition of a subsidiary, the subsidiary's assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. All changes to those assets and liabilities, and the resulting gains and losses that arise after the group has gained control of the subsidiary are charged to the post acquisition income statement.

Significant judgements and estimates
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following judgements have had the most significant effect on amounts recognised in the financial statements;
Depreciation - The useful life of fixed assets can vary significantly. Estimates are based on historic experience and current expectations of useful life. The size of prior year gains and losses on disposal are also factored in to estimates.
Bad debts - The directors regularly review debts and provide for those which are doubtful.

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

Goodwill
Goodwill, being the amount paid in connection with the acquisition of a business in 2015, is being amortised evenly over its estimated useful life of ten years.

Negative goodwill
Negative goodwill relates to the amount paid in connection with the acquisition of a business in 2022. The element relating to the monetary assets was written off in the year of acquisition. Negative goodwill on the remaining non monetary assets are being amortised over periods in which the assets are recovered.

continued...

2. **ACCOUNTING POLICIES - continued**

Computer software
Computer software relates to development expenditure on an IT and accounting system. It is recognised as an intangible asset when the company can demonstrate:
- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over its useful life of three years.

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	-	Straight line between 6 and 10 years
Fixtures and fittings	-	Straight line over 6 years
Computer equipment	-	Straight line over 4 years

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Income Statement.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in the prior years. A reversal of an impairment loss is recognised immediately in the Income Statement.

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

Taxation
Taxation for the period comprises current and deferred tax. Tax is recognised in the Consolidated 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.

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 period end and that are expected to apply to the reversal of the timing difference.

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

continued...

2. ACCOUNTING POLICIES - continued

Research and development
Expenditure on research and development is written off in the year in which it is incurred, except where the development element qualifies as an intangible asset, in which case it is capitalised.

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

Hire purchase and leasing commitments
Assets 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 the Income Statement over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the Income Statement on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the Income Statement in the period to which they relate.

Invoice discounting
The group uses an invoice discounting facility and has adopted separate presentation whereby gross debts are included as an asset and the amount due to the finance company is included within other creditors. The interest and charges are recognised as they accrue and are included in the Income Statement.

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

3. TURNOVER

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

An analysis of turnover by geographical market is given below:

	Period 1.9.22 to 31.3.23	Year ended 31.8.22
	£	£
United Kingdom	5,180,863	9,731,603
Europe	2,062,994	3,634,993
Rest of the world	1,367,454	2,489,255
	8,611,311	15,855,851

continued...

4. EMPLOYEES AND DIRECTORS

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
Wages and salaries	623,905	993,768
Social security costs	81,574	182,638
Other pension costs	39,257	114,137
	744,736	1,290,543

The average number of employees during the period was as follows:

	Period 1.9.22 to 31.3.23	Year ended 31.8.22
Directors	6	6
Administration	9	10
Warehouse	13	13
	28	29

The average number of employees by undertakings that were proportionately consolidated during the period was NIL (2022 - NIL).

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
Directors' remuneration	127,227	300,747
Directors' pension contributions to money purchase schemes	3,499	40,000

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

Money purchase schemes	3	4

continued...

5. OPERATING PROFIT

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

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
Hire of plant and machinery	24,197	42,804
Other operating leases	177,688	340,226
Depreciation - owned assets	26,506	48,249
Depreciation - assets on hire purchase contracts or finance leases	-	11,250
Profit on disposal of fixed assets	-	(34,321)
Goodwill amortisation	75,974	130,241
Negative goodwill amortisation	-	(356,259)
Computer software amortisation	3,131	2,024
Auditors' remuneration - audit	27,000	15,850
Foreign exchange differences	8,420	(53,123)
Related party loan write off	157,926	-

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
Bank interest	1,026	492
Invoice discounting interest	16,865	19,631
Other interest	9,872	-
Hire purchase	-	4,710
	27,763	24,833

7. TAXATION

Analysis of the tax charge
The tax charge on the profit for the period was as follows:

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
Current tax:		
UK corporation tax	273,890	539,713
Deferred tax	(2,794)	(3,818)
Tax on profit	271,096	535,895

UK corporation tax has been charged at 19% (2022 - 19%).

continued...

7. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss
The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
Profit before tax	1,204,127	2,992,943
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	228,784	568,659
Effects of:		
Expenses not deductible for tax purposes	41,688	34,653
Capital allowances in excess of depreciation	(289)	(1,292)
Research and development enhancement	(13,522)	(23,182)
Goodwill amortisation	14,435	24,746
Negative goodwill amortisation	-	(67,689)
Total tax charge	271,096	535,895

8. **INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

9. **DIVIDENDS**

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
Ordinary shares of £0.10 each		
Interim	75,000	-

continued...

10. INTANGIBLE FIXED ASSETS

Group

	Goodwill £	Negative goodwill £	Computer software £	Totals £
COST				
At 1 September 2022	1,302,412	(356,259)	80,290	1,026,443
Additions	-	-	3,321	3,321
At 31 March 2023	1,302,412	(356,259)	83,611	1,029,764
AMORTISATION				
At 1 September 2022	879,128	(356,259)	78,266	601,135
Amortisation for period	75,974	-	3,131	79,105
At 31 March 2023	955,102	(356,259)	81,397	680,240
NET BOOK VALUE				
At 31 March 2023	347,310	-	2,214	349,524
At 31 August 2022	423,284	-	2,024	425,308

11. TANGIBLE FIXED ASSETS

Group

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2022	1,365,945	120,345	119,830	1,606,120
Additions	3,934	1,120	3,635	8,689
At 31 March 2023	1,369,879	121,465	123,465	1,614,809
DEPRECIATION				
At 1 September 2022	1,272,389	103,752	114,924	1,491,065
Charge for period	20,081	3,839	2,586	26,506
At 31 March 2023	1,292,470	107,591	117,510	1,517,571
NET BOOK VALUE				
At 31 March 2023	77,409	13,874	5,955	97,238
At 31 August 2022	93,556	16,593	4,906	115,055

continued...

12. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 September 2022 and 31 March 2023	2,522,516
NET BOOK VALUE	
At 31 March 2023	2,522,516
At 31 August 2022	2,522,516

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Penn-White Limited
Registered office: Unit 6, Aston Way, Midpoint 18 Business Park, Middlewich, Cheshire, CW10 0HS
Nature of business: Chemical trading

Class of shares:	% holding
Ordinary A - Ordinary G	100.00

Pennwhite Print Solutions Limited
Registered office: Unit 6, Aston Way, Midpoint 18 Business Park, Middlewich, Cheshire, CW10 0HS
Nature of business: Chemical trading

Class of shares:	% holding
Ordinary A to Ordinary C	100.00

The company ceased trading on 31 March 2023, with trade and assets transferred to Penn-White Limited.

13. STOCKS

	Group 2023 £	2022 £
Raw materials	1,206,214	1,717,882
Finished goods	377,886	573,834
	1,584,100	2,291,716

continued...

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	2,575,397	2,987,363	-	-
Amounts owed by group undertakings	2,925,987	-	2,925,987	-
Other debtors	150,813	4,446	-	-
Directors' current accounts	-	3,027,313	-	-
Corporation tax	453,337	453,337	-	-
VAT	-	148,543	-	-
Deferred tax asset	14,395	11,601	-	-
Prepayments and accrued income	155,286	113,417	-	-
	6,275,215	6,746,020	2,925,987	-

Deferred tax asset

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Deferred tax	14,395	11,601	-	-

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	623,475	728,055	-	-
Amounts owed to group undertakings	-	-	2,469,643	27,390
Corporation tax	811,943	993,583	-	-
Social security and other taxes	34,870	25,645	-	-
VAT	8,436	-	-	-
Other creditors	-	1,368,130	-	-
Accruals and deferred income	147,081	305,466	-	-
	1,625,805	3,420,879	2,469,643	27,390

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	2023	2022
	£	£
Within one year	306,290	306,290
Between one and five years	963,405	883,186
	1,269,695	1,189,476

continued...

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2023	2022
	£	£
Invoice discounting	-	1,372,110

The bank has a fixed and floating charge over group assets. Invoice discounting liabilities are secured on the underlying trade debtors.

18. DEFERRED TAX

Group

	£
Balance at 1 September 2022	(11,601)
Credit to Income Statement during period	(2,794)
Balance at 31 March 2023	(14,395)

The provision for deferred taxation is made up as follows

	2023	2022
	£	£
Accelerated capital allowances	(14,395)	(11,601)
Other timing differences	-	-
	(14,395)	(11,601)

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2022 £
11,260	Ordinary	£0.10	1,126	269
-	A Ordinary	£0.10	-	52
-	B Ordinary	£0.10	-	73
-	C Ordinary	£0.10	-	164
-	D Ordinary	£0.10	-	164
-	E Ordinary	£0.10	-	164
-	F Ordinary	£0.10	-	164
			1,126	1,050

During the year, 1,045 A Ordinary, 737 B Ordinary, 1,877 C Ordinary, 1,637 D Ordinary, 1,637 E Ordinary, and 1,637 F Ordinary 10p shares were redesignated as 8,570 Ordinary 10p shares.

All shares are now in the same class and carry dividend, voting and distribution rights.

continued...

20. RESERVES

Group

	Retained earnings £
At 1 September 2022	6,246,199
Profit for the period	933,031
Dividends	(75,000)
At 31 March 2023	7,104,230

Company

	Retained earnings £
At 1 September 2022	2,499,571
Profit for the period	554,259
Dividends	(75,000)
At 31 March 2023	2,978,830

21. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the period ended 31 March 2023 and the year ended 31 August 2022:

	2023 £	2022 £
J J Whitehead		
Balance outstanding at start of period	478,954	186,932
Amounts advanced	63,451	292,022
Amounts repaid	(517,315)	-
Amounts written off	(25,090)	-
Amounts waived	-	-
Balance outstanding at end of period	-	478,954
Dr M J Humphries		
Balance outstanding at start of period	695,137	294,728
Amounts advanced	63,727	400,409
Amounts repaid	(722,683)	-
Amounts written off	(36,181)	-
Amounts waived	-	-
Balance outstanding at end of period	-	695,137

continued...

21. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued

J J Whitehead

Balance outstanding at start of period	621,746	274,171
Amounts advanced	11,400	347,575
Amounts repaid	(600,723)	-
Amounts written off	(32,423)	-
Amounts waived	-	-
Balance outstanding at end of period	-	621,746

S J Whitehead

Balance outstanding at start of period	620,068	272,521
Amounts advanced	11,400	347,547
Amounts repaid	(599,131)	-
Amounts written off	(32,337)	-
Amounts waived	-	-
Balance outstanding at end of period	-	620,068

Mrs A H Hooley

Balance outstanding at start of period	611,409	264,060
Amounts advanced	11,400	347,349
Amounts repaid	(590,915)	-
Amounts written off	(31,894)	-
Amounts waived	-	-
Balance outstanding at end of period	-	611,409

R J Richardson

Balance outstanding at start of period	-	8,744
Amounts repaid	-	(8,744)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of period	-	-

Interest is charged monthly on the directors' loan accounts at HMRC's official rate, on balances above £10,000. Loans are repayable on demand.

22. RELATED PARTY DISCLOSURES

Transactions with other group undertakings, where they are wholly owned by the Penn Globe Limited group, are not disclosed.

23. ULTIMATE CONTROLLING PARTY

The parent undertaking of the smallest and largest group for which consolidated accounts are prepared is Manali Petrochemicals Limited, incorporated in India. Consolidated accounts are available from the registered office: Spic House, 88 Mount Road, Guindy, Chennai, India, 600 032.

In the opinion of the directors, there is no ultimate controlling party.

continued...

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

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
Profit before taxation	1,204,127	2,992,943
Depreciation charges	105,612	(164,495)
Profit on disposal of fixed assets	-	(34,321)
Finance costs	27,763	24,833
Finance income	(97)	(53,503)
	1,337,405	2,765,457
Decrease/(increase) in stocks	707,616	(913,766)
Increase in trade and other debtors	(2,553,714)	(516,100)
(Decrease)/increase in trade and other creditors	(1,613,435)	385,246
Cash generated from operations	(2,122,128)	1,720,837

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:

Period ended 31 March 2023

	31.3.23 £	1.9.22 £
Cash and cash equivalents	425,084	90,105

Year ended 31 August 2022

	31.8.22 £	1.9.21 £
Cash and cash equivalents	90,105	554,649

26. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank	90,105	334,979	425,084
	90,105	334,979	425,084
Total	90,105	334,979	425,084

REGISTERED NUMBER: 05436576 (England and Wales)

PENN-WHITE LIMITED

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

AUDITED FINANCIAL STATEMENTS

FOR THE PERIOD

1 SEPTEMBER 2022 TO 31 MARCH 2023

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

COMPANY INFORMATION
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

DIRECTORS:	M J Humphries A C Muthiah M Ravi C M Bowry D A Muthiah
REGISTERED OFFICE:	Unit 6, Aston Way Midpoint 18 Business Park Middlewich Cheshire CW10 0HS
REGISTERED NUMBER:	05436576 (England and Wales)
AUDITORS:	Clarke Nicklin LLP Chartered Accountants and Statutory Auditors Clarke Nicklin House Brooks Drive Cheadle Royal Business Park Cheadle Cheshire SK8 3TD

STRATEGIC REPORT
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

The directors present their strategic report for the period 1 September 2022 to 31 March 2023.

REVIEW OF BUSINESS
During the period the Penn Globe Limited group, was acquired by the Indian group Manali Petrochemicals Limited. The directors are excited by the opportunities this presents for the group to expand product offerings and distribution channels. Key staff remain in place and the supply of all finished goods will also continue being produced from our Middlewich site, an increased emphasis will also be put into R&D to enable the business to continue to grow into new market segments.

Despite global economic uncertainties with increasing inflation, currency fluctuation, the ongoing Ukrainian invasion, along with the after effects of the Coronavirus pandemic, the broad customer base and industry sectors have ensured that Turnover has remained strong and that the Gross Profit margin has increased to 35.2% (2022: £34.4%) in the period.

The Board is confident that despite the prevailing economic factors, strong demand and turnover levels will continue and that future growth can be achieved with continued improvements in market share and in the range of products being developed and supplied.

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

The Board of directors are pleased with the performance in the year.

PRINCIPAL RISKS AND UNCERTAINTIES

The company operates in a global economy, where the effect and uncertainty surrounding a post pandemic world along with the fluctuation of world currencies continue to lead to some potential risks and uncertainties for the future, though these are no different to any other industry operating in the global economy.

Raw material supply can be challenging, and the company regularly reviews stock levels. Risks associated with raw material supplies are mitigated by continuing to develop alternative products for current raw material usage and ensuring that the company has multiple suppliers for key raw materials.

Foreign currency exchange is regularly reviewed and monitored. The risk in currency fluctuation is managed monthly and the fact that the company sells and purchases goods in foreign currencies enables us to take advantage of the weak pound for exports with a converse off-set impact on purchases of foreign goods.

Due to the nature of the company's activities and the broad make up of customers the loss of a significant customer is not a major key risk to the company. However, it is the policy of the directors to maintain good relationships with, and provide high levels of service to, their customers to help reduce any possible exposure.

The aftermath of Coronavirus pandemic and ongoing Ukraine war has had limited impact on the financial performance of the business as most customers, operating in key industries globally, have traded throughout the period. Demand for the company's products remains very strong with record order books in place going forward into the next financial year.

Whilst under new corporate ownership, the company retains its core foundations which continues to allow the company to react quickly to any such risks and uncertainties and with the added comfort that it can use the strength of its liquidity and resources to counter any such risks.

Operating in a fast changing world market is managed by operating in several key industry sectors worldwide such as food, water, waste and recycling. These sectors will always have a demand for the company's products and across a wide geographic area. The company remains flexible to such needs and requirements to enable it to respond quickly where possible.

ON BEHALF OF THE BOARD:

....
M J Humphries - Director

Date: 10/05/2023

The directors present their report with the financial statements of the company for the period 1 September 2022 to 31 March 2023.

PRINCIPAL ACTIVITY
The principal activity of the company in the period under review was that of the trading of silicone based products and chemicals.

DIVIDENDS
Interim dividends in the year totalled £75,000 (2022: £nil).

The directors are recommending no final dividends be paid (2022: £nil).

DIRECTORS
M J Humphries has held office during the whole of the period from 1 September 2022 to the date of this report.

Other changes in directors holding office are as follows:

J J Whitehead - resigned 30 November 2022
J J Whitehead - resigned 30 November 2022
S J Whitehead - resigned 30 November 2022
A H Hooley - resigned 30 November 2022
R J Richardson - resigned 30 November 2022
A C Muthiah - appointed 30 November 2022
M Ravi - appointed 30 November 2022
C M Bowry - appointed 18 January 2023
D A Muthiah - appointed 18 January 2023

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 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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Clarke Nicklin LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

....
M J Humphries - Director

Date: 10/05/2023 ....

Opinion

We have audited the financial statements of Penn-White Limited (the 'company') for the period ended 31 March 2023 which comprise the Income Statement, Other Comprehensive Income, 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 '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 2023 and of its profit for the period 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 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 relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Procedures to identify risks:
- enquiring of management concerning the company's procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas: timing of recognition of sales and purchases and their related stock movements, posting of unusual journals; and
- obtaining an understanding of the legal and regulatory frameworks that the company operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the company. The key laws and regulations we considered in this context included UK Companies Act, employment law, health and safety, pensions legislation and tax legislation.

The procedures to respond to risks identified included:
- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing correspondence with HMRC;
- testing the timing and matching of income and expense transactions relating to stock movements either side of the year end; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulation that are not closely related to events and transactions reflected in the financial statements. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detection one resulting from an error, as fraud may involve deliberate concealment, by for example, forgery or intentional misrepresentation, or through collusion.

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. 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.

Graham Travis FCA (Senior Statutory Auditor)
for and on behalf of Clarke Nicklin LLP
Chartered Accountants and
Statutory Auditors
Clarke Nicklin House
Brooks Drive
Cheadle Royal Business Park
Cheadle
Cheshire
SK8 3TD

Date: 10/05/2023

PENN-WHITE LIMITED

INCOME STATEMENT
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

	Notes	Period 1.9.22 to 31.3.23 £	£	Year ended 31.8.22 £	£
TURNOVER	3		8,457,886		15,858,718
Cost of sales			5,484,615		10,409,248
GROSS PROFIT			2,973,271		5,449,470
Distribution costs		296,773		639,617	
Administrative expenses		1,486,144		2,069,188	
			1,782,917		2,708,805
			1,190,354		2,740,665
Other operating income			200		76
OPERATING PROFIT	5		1,190,554		2,740,741
Interest receivable and similar income			97		51,197
			1,190,651		2,791,938
Interest payable and similar expenses	6		26,979		24,833
PROFIT BEFORE TAXATION			1,163,672		2,767,105
Tax on profit	7		248,124		534,235
PROFIT FOR THE FINANCIAL PERIOD			915,548		2,232,870

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

	Notes	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
PROFIT FOR THE PERIOD		915,548	2,232,870
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		915,548	2,232,870

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Intangible assets	9		2,214		2,024
Tangible assets	10		97,238		115,055
			99,452		117,079
CURRENT ASSETS					
Stocks	11	1,584,100		2,275,586	
Debtors	12	5,818,870		6,534,813	
Cash at bank		423,990		82,006	
		7,826,960		8,892,405	
CREDITORS					
Amounts falling due within one year	13	1,625,806		3,549,426	
NET CURRENT ASSETS			6,201,154		5,342,979
TOTAL ASSETS LESS CURRENT LIABILITIES			6,300,606		5,460,058
CAPITAL AND RESERVES					
Called up share capital	17		136		136
Share premium	18		46,226		46,226
Retained earnings	18		6,254,244		5,413,696
SHAREHOLDERS' FUNDS			6,300,606		5,460,058

The financial statements were approved by the Board of Directors and authorised for issue on 10/05/2023 .... and were signed on its behalf by:

....
M J Humphries - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 September 2021	136	3,180,826	46,226	3,227,188
Changes in equity				
Total comprehensive income	-	2,232,870	-	2,232,870
Balance at 31 August 2022	136	5,413,696	46,226	5,460,058
Changes in equity				
Dividends	-	(75,000)	-	(75,000)
Total comprehensive income	-	915,548	-	915,548
Balance at 31 March 2023	136	6,254,244	46,226	6,300,606

The notes form part of these financial statements

1. STATUTORY INFORMATION

Penn-White Limited ("the Company") is a limited company incorporated in the United Kingdom. The address of its registered office and principal place of business is Unit 6, Aston Way, Midpoint 18 Business Park, Middlewich, Cheshire, CW10 0HS.

2. ACCOUNTING POLICIES

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

The financial statements are presented in Sterling (£).

Going concern
The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have reached this conclusion giving due consideration to the projected future performance of the company and any potential risk that might impact the company's ability to meet its required solvency levels. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Financial Reporting Standard 102 - reduced disclosure exemptions
The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

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

Significant judgements and estimates
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following judgements have had the most significant effect on amounts recognised in the financial statements;
Depreciation - The useful life of fixed assets can vary significantly. Estimates are based on historic experience and current expectations of useful life. The size of prior year gains and losses on disposal are also factored in to estimates.
Bad debts - The directors regularly review debts and provide for those which are doubtful.

Turnover
Turnover represents net invoiced sales of goods, excluding value added tax. Sales are recognised on the date of despatch to the customer.

continued...

2. ACCOUNTING POLICIES - continued

Computer software
Computer software relates to development expenditure on an IT and accounting system. It is recognised as an intangible asset when the company can demonstrate:
- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over its useful life of three years.

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	-	Straight line between 6 and 10 years
Fixtures and fittings	-	Straight line over 6 years
Computer equipment	-	Straight line over 4 years

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Income Statement.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in the prior years. A reversal of an impairment loss is recognised immediately in the Income Statement.

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

Taxation
Taxation for the period 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.

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 period end and that are expected to apply to the reversal of the timing difference.

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

 continued...

2. ACCOUNTING POLICIES - continued

Research and development
Expenditure on research and development is written off in the year in which it is incurred, except where the development element qualifies as an intangible asset, in which case it is capitalised.

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

Hire purchase and leasing commitments
Assets 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 the Income Statement over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the Income Statement 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 the Income Statement in the period to which they relate.

Invoice discounting
The company uses an invoice discounting facility and has adopted separate presentation whereby gross debts are included as an asset and the amount due to the finance company is included within other creditors. The interest and charges are recognised as they accrue and are included in the Income Statement.

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

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:

	Period 1.9.22 to 31.3.23	Year ended 31.8.22
	£	£
United Kingdom	5,086,026	9,734,470
Europe	2,004,654	3,634,993
Rest of the world	1,367,206	2,489,255
	8,457,886	15,858,718

continued...

4. EMPLOYEES AND DIRECTORS

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
Wages and salaries	620,401	998,541
Social security costs	81,574	182,638
Other pension costs	39,257	114,137
	741,232	1,295,316

The average number of employees during the period was as follows:

	Period 1.9.22 to 31.3.23	Year ended 31.8.22
Directors	6	6
Administration	9	10
Warehouse	13	13
	28	29

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
Directors' remuneration	125,977	299,913
Directors' pension contributions to money purchase schemes	3,499	40,000

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

Money purchase schemes	3	4

continued...

5. OPERATING PROFIT

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

	Period 1.9.22 to 31.3.23	Year ended 31.8.22
	£	£
Hire of plant and machinery	24,197	42,804
Other operating leases	177,688	340,226
Depreciation - owned assets	26,506	48,249
Depreciation - assets on hire purchase contracts or finance leases	-	11,250
Profit on disposal of fixed assets	-	(34,321)
Computer software amortisation	3,131	2,024
Auditors' remuneration - audit	27,000	15,850
Foreign exchange differences	9,304	(53,113)
Related party loan write off	157,926	-

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.9.22 to 31.3.23	Year ended 31.8.22
	£	£
Bank interest	242	492
Invoice discounting interest	16,865	19,631
Other interest	9,872	-
Hire purchase	-	4,710
	26,979	24,833

7. TAXATION

Analysis of the tax charge
The tax charge on the profit for the period was as follows:

	Period 1.9.22 to 31.3.23	Year ended 31.8.22
	£	£
Current tax:		
UK corporation tax	250,918	538,053
Deferred tax	(2,794)	(3,818)
Tax on profit	248,124	534,235

UK corporation tax has been charged at 19% (2022 - 19%).

continued...

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss
The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
Profit before tax	1,163,672	2,767,105
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	221,098	525,750
Effects of:		
Expenses not deductible for tax purposes	40,856	32,991
Capital allowances in excess of depreciation	(289)	(1,292)
Group relief	(19)	(32)
Research and development enhancement	(13,522)	(23,182)
Total tax charge	248,124	534,235

8. DIVIDENDS

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
A Ordinary - G Ordinary shares of 10p each		
Interim	75,000	-

9. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 September 2022	80,290
Additions	3,321
At 31 March 2023	83,611
AMORTISATION	
At 1 September 2022	78,266
Amortisation for period	3,131
At 31 March 2023	81,397
NET BOOK VALUE	
At 31 March 2023	2,214
At 31 August 2022	2,024

continued...

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2022	1,365,945	120,345	119,830	1,606,120
Additions	3,934	1,120	3,635	8,689
At 31 March 2023	1,369,879	121,465	123,465	1,614,809
DEPRECIATION				
At 1 September 2022	1,272,389	103,752	114,924	1,491,065
Charge for period	20,081	3,839	2,586	26,506
At 31 March 2023	1,292,470	107,591	117,510	1,517,571
NET BOOK VALUE				
At 31 March 2023	77,409	13,874	5,955	97,238
At 31 August 2022	93,556	16,593	4,906	115,055

11. STOCKS

	2023 £	2022 £
Raw materials	1,206,214	1,717,882
Finished goods	377,886	557,704
	1,584,100	2,275,586

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	2,575,397	2,891,293
Amounts owed by group undertakings	2,469,642	27,390
Other debtors	150,813	-
Directors' current accounts	-	2,922,535
Corporation tax	453,337	420,034
VAT	-	148,543
Deferred tax asset	14,395	11,601
Prepayments and accrued income	155,286	113,417
	5,818,870	6,534,813

 continued...

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	623,476	725,974
Amounts owed to group undertakings	-	171,124
Corporation tax	811,943	958,087
Social security and other taxes	34,870	25,645
VAT	8,436	-
Other creditors	-	1,368,130
Accruals and deferred income	147,081	300,466
	1,625,806	3,549,426

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	306,290	306,290
Between one and five years	963,405	883,186
	1,269,695	1,189,476

15. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Invoice discounting	-	1,372,110

The bank has a fixed and floating charge over group assets. Invoice discounting liabilities are secured on the underlying trade debtors.

16. DEFERRED TAX

	£
Balance at 1 September 2022	(11,601)
Credit to Income Statement during period	(2,794)
Balance at 31 March 2023	(14,395)

The provision for deferred taxation is made up as follows

	2023	2022
	£	£
Accelerated capital allowances	(14,395)	(11,601)
Other timing differences	-	-
	(14,395)	(11,601)

continued...

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2022 £
1,360	A Ordinary - G Ordinary	10p	136	136

18. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 September 2022	5,413,696	46,226	5,459,922
Profit for the period	915,548		915,548
Dividends	(75,000)		(75,000)
At 31 March 2023	6,254,244	46,226	6,300,470

19. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the period ended 31 March 2023 and the year ended 31 August 2022:

	2023 £	2022 £
J J Whitehead		
Balance outstanding at start of period	426,503	186,932
Amounts advanced	63,451	239,571
Amounts repaid	(464,864)	-
Amounts written off	(25,090)	-
Amounts waived	-	-
Balance outstanding at end of period	-	426,503
M J Humphries		
Balance outstanding at start of period	642,810	294,728
Amounts advanced	63,727	348,082
Amounts repaid	(670,356)	-
Amounts written off	(36,181)	-
Amounts waived	-	-
Balance outstanding at end of period	-	642,810
J J Whitehead		
Balance outstanding at start of period	621,746	274,171
Amounts advanced	11,400	347,575
Amounts repaid	(600,723)	-
Amounts written off	(32,423)	-
Amounts waived	-	-
Balance outstanding at end of period	-	621,746

continued...

19. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued

S J Whitehead		
Balance outstanding at start of period	620,068	272,521
Amounts advanced	11,400	347,547
Amounts repaid	(599,131)	-
Amounts written off	(32,337)	-
Amounts waived	-	-
Balance outstanding at end of period	-	620,068

A H Hooley		
Balance outstanding at start of period	611,409	264,060
Amounts advanced	11,400	347,349
Amounts repaid	(590,915)	-
Amounts written off	(31,894)	-
Amounts waived	-	-
Balance outstanding at end of period	-	611,409

R J Richardson		
Balance outstanding at start of period	-	8,744
Amounts repaid	-	(8,744)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of period	-	-

Interest is charged on the directors' loan accounts at HMRC's official rate. Loans are repayable on demand.

20. ULTIMATE CONTROLLING PARTY

The parent undertaking of the smallest group for which consolidated accounts are prepared is Penn Globe Limited. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.

The parent undertaking of the largest group for which consolidated accounts are prepared is Manali Petrochemicals Limited, incorporated in India. Consolidated accounts are available from the registered office: Spic House, 88 Mount Road, Guindy, Chennai, India, 600 032.

In the opinion of the directors, there is no ultimate controlling party.

REGISTERED NUMBER: 07963238 (England and Wales)

PENNWHITE PRINT SOLUTIONS LIMITED

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE PERIOD

1 SEPTEMBER 2022 TO 31 MARCH 2023

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

COMPANY INFORMATION
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

DIRECTORS:	M J Humphries A C Muthiah M Ravi C M Bowry D A Muthiah
REGISTERED OFFICE:	Unit 6, Aston Way Midpoint 18 Business Park Middlewich Cheshire CW10 0HS
REGISTERED NUMBER:	07963238 (England and Wales)
AUDITORS:	Clarke Nicklin LLP Chartered Accountants and Statutory Auditors Clarke Nicklin House Brooks Drive Cheadle Royal Business Park Cheadle Cheshire SK8 3TD

REPORT OF THE DIRECTORS
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

The directors present their report with the financial statements of the company for the period 1 September 2022 to 31 March 2023.

PRINCIPAL ACTIVITY
The principal activity of the company in the period under review was that of the supply of chemical additives to the print industry.

EVENTS SINCE THE END OF THE PERIOD
Information relating to events since the end of the period is given in the notes to the financial statements.

DIRECTORS
M J Humphries has held office during the whole of the period from 1 September 2022 to the date of this report.

Other changes in directors holding office are as follows:

J J Whitehead - resigned 30 November 2022
R J Richardson - resigned 30 November 2022
A C Muthiah - appointed 30 November 2022
M Ravi - appointed 30 November 2022
C M Bowry - appointed 18 January 2023
D A Muthiah - appointed 18 January 2023

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 statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Clarke Nicklin LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

REPORT OF THE DIRECTORS
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

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:

....
M J Humphries - Director

Date: 10/05/2023

Opinion
We have audited the financial statements of PennWhite Print Solutions Limited (the 'company') for the period ended 31 March 2023 which comprise the Statement of Income and Retained Earnings, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 '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 2023 and of its profit for the period 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 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.

Emphasis of matter
We draw attention to Note 2 to the financial statements which explains that the directors intend to liquidate the company and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern.

Our opinion is not modified in respect of this matter.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Procedures to identify risks:

- enquiring of management concerning the company's procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas: timing of recognition of sales and purchases and their related stock movements, posting of unusual journals; and
- obtaining an understanding of the legal and regulatory frameworks that the company operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the company. The key laws and regulations we considered in this context included UK Companies Act, employment law, health and safety, pensions legislation and tax legislation.

The procedures to respond to risks identified included:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing correspondence with HMRC;
- testing the timing and matching of income and expense transactions relating to stock movements either side of the period end; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulation that are not closely related to events and transactions reflected in the financial statements. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detection one resulting from an error, as fraud may involve deliberate concealment, by for example, forgery or intentional misrepresentation, or through collusion.

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. 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.

Graham Travis FCA (Senior Statutory Auditor)
for and on behalf of Clarke Nicklin LLP
Chartered Accountants and
Statutory Auditors
Clarke Nicklin House
Brooks Drive
Cheadle Royal Business Park
Cheadle
Cheshire
SK8 3TD

Date: 10/05/2023

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE PERIOD 1 SEPTEMBER 2022 TO 31 MARCH 2023

	Notes	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
TURNOVER		466,492	530,976
Cost of sales		337,095	460,812
GROSS PROFIT		129,397	70,164
Administrative expenses		7,710	60,926
OPERATING PROFIT	4	121,687	9,238
Interest receivable and similar income		-	2,306
		121,687	11,544
Interest payable and similar expenses		783	-
PROFIT BEFORE TAXATION		120,904	11,544
Tax on profit		22,972	2,193
PROFIT FOR THE FINANCIAL PERIOD		97,932	9,351
Retained earnings at beginning of period		384,802	375,451
Dividends	5	(483,734)	-
RETAINED EARNINGS AT END OF PERIOD		(1,000)	384,802

The notes form part of these financial statements

PENNWHITE PRINT SOLUTIONS LIMITED (REGISTERED NUMBER: 07963238)

BALANCE SHEET
31 MARCH 2023

	Notes	2023 £	2022 £
CURRENT ASSETS			
Stocks	6	-	16,131
Debtors	7	-	409,721
Cash at bank		-	2,529
		-	428,381
CREDITORS			
Amounts falling due within one year	8	-	42,579
NET CURRENT ASSETS		-	385,802
TOTAL ASSETS LESS CURRENT LIABILITIES		-	385,802
CAPITAL AND RESERVES			
Called up share capital	9	760	760
Capital redemption reserve		240	240
Retained earnings		(1,000)	384,802
SHAREHOLDERS' FUNDS		-	385,802

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

The financial statements were approved by the Board of Directors and authorised for issue on 10/05/2023 .... and were signed on its behalf by:

....
M J Humphries - Director

The notes form part of these financial statements

1. STATUTORY INFORMATION

PennWhite Print Solutions Limited ("the Company") is a limited company incorporated in the United Kingdom. The address of its registered office and principal place of business is Unit 6, Aston Way, Midpoint 18 Business Park, Middlewich, Cheshire, CW10 0HS.

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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Sterling (£).

A basis other than going concern
The trade and assets of the company were transferred to Penn-White Limited in the period. The directors intend to liquidate the company during 2023. At the year end there are no debtors or creditors. In light of the directors' intentions, the financial statements have been prepared on a basis other than going concern.

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

Turnover
Turnover represents net invoiced sales of goods, excluding value added tax. Sales are recognised on the date of despatch to the customer.

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

Taxation
Taxation for the period comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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 period end and that are expected to apply to the reversal of the timing difference.

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

 continued...

2. ACCOUNTING POLICIES - continued

Foreign currencies

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

Invoice discounting

The company uses an invoice discounting facility and has adopted separate presentation whereby gross debts are included as an asset and the amount due to the finance company is included within other creditors. The interest and charges are recognised as they accrue and are included in the Statement of Income and Retained Earnings.

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

3. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 3 (2022 - 3).

4. OPERATING PROFIT

The operating profit is stated after charging:

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
Auditors' remuneration	1,175	5,000
Impairment of trade debtors	1,443	48,230

5. DIVIDENDS

	Period 1.9.22 to 31.3.23 £	Year ended 31.8.22 £
A Ordinary shares of £1 each		
Interim	483,734	-

6. STOCKS

	2023 £	2022 £
Finished goods	-	16,131

continued...

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	-	96,070
Amounts owed by group undertakings	-	171,124
Other debtors	-	4,446
Directors' current accounts	-	104,778
Corporation tax	-	33,303
	-	409,721

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	-	2,083
Corporation tax	-	35,496
Accrued expenses	-	5,000
	-	42,579

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2022 £
520	A Ordinary	£1	520	520
240	C Ordinary	£1	240	240
			760	760

10. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the period ended 31 March 2023 and the year ended 31 August 2022:

	2023	2022
	£	£
J J Whitehead		
Balance outstanding at start of period	52,450	51,296
Amounts advanced	-	1,154
Amounts repaid	(52,450)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of period	-	52,450

continued...

10. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued

M J Humphries		
Balance outstanding at start of period	52,327	51,176
Amounts advanced	-	1,151
Amounts repaid	(52,327)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of period	-	52,327

Interest is charged monthly on the directors' loan accounts at HMRC's official rate, on balances above £10,000. Loans are repayable on demand.

11. POST BALANCE SHEET EVENTS

The trade and assets of the company were transferred to Penn-White Limited in the period. The directors intend to liquidate the company during 2023.

12. ULTIMATE CONTROLLING PARTY

The parent undertaking of the smallest group for which consolidated accounts are prepared is Penn Globe Limited. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.

The parent undertaking of the largest group for which consolidated accounts are prepared is Manali Petrochemicals Limited, incorporated in India. Consolidated accounts are available from the registered office: Spic House, 88 Mount Road, Guindy, Chennai, India, 600 032.

In the opinion of the directors, there is no ultimate controlling party.