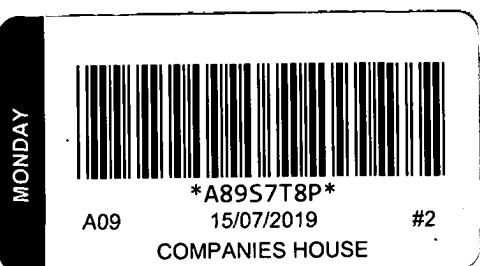


CRODA WORLD TRADERS LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**



CRODA WORLD TRADERS LIMITED

COMPANY INFORMATION

Directors	Mr S E Foots Mr G L Myers (resigned 29 March 2019) Mr R Tanna (appointed 29 March 2019)
Company secretary	Mr T M Brophy
Registered number	155113
Registered office	Cowick Hall Snaith Goole East Yorkshire DN14 9AA
Independent auditor	KPMG LLP Chartered Accountants 1 Sovereign Square Sovereign Street Leeds West Yorkshire LS1 4DA
Country of incorporation	United Kingdom
Domiciled	United Kingdom
Legal form	Private company limited by shares

CRODA WORLD TRADERS LIMITED

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CRODA WORLD TRADERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The Directors present their report and the financial statements for the year ended 31 December 2018.

Business review and dividend

The Company did not trade during the year or the preceding year and made neither a profit nor a loss. There was also no other comprehensive income for the current financial year or the preceding financial year. Accordingly, neither a profit and loss account or a statement of comprehensive income have been presented.

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

The Directors do not recommend a dividend (2017: £Nil).

Principal risks and uncertainties

From the perspective of the Company, the principal risk relates to the non-payment of amounts owed by group undertakings (note 6).

Independent auditors

As we reported last year, we undertook a comprehensive tender process in 2017 and the Board appointed KPMG LLP as external auditor, with Chris Hearld as Lead Audit Partner. The first year audited by KPMG LLP is the year to 31 December 2018.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Mr S E Foots

Mr G L Myers (resigned 29 March 2019)

Mr R Tanna (appointed 29 March 2019)

Directors are granted an indemnity from the Company in respect of liabilities incurred as a result of their positions to the extent permitted by law. These indemnities are qualifying third party indemnities (as defined in section 234 of the Companies Act 2006) and were in force during the financial year and at the date of approval of the financial statements. In addition, the Company maintained Directors' and Officers' liability insurance cover throughout the year.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

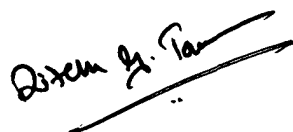
Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The Company has met the requirements in the Companies Act 2006 to obtain the exemption provided, on the grounds of its size, from the presentation of a Strategic Report.

This report was approved by the board on 14 June 2019 and signed on its behalf.



Mr R Tanna
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRODA WORLD TRADERS LIMITED

Opinion

We have audited the financial statements of Croda World Traders Limited ("the Company") for the year ended 31 December 2018, which comprise: the balance sheet as at 31 December 2018 and the statement of changes in equity for the year ended 31 December 2018; and related notes including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with UK Accounting Standards, including FRS 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRODA WORLD TRADERS LIMITED

Directors' report

The Directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon. Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRODA WORLD TRADERS LIMITED

The purpose of our audit work and to whom we owe our responsibilities

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



Chris Heard (Senior Statutory Auditor)

for and on behalf of KPMG, Statutory Auditor
Chartered Accountants

1 Sovereign Square
Sovereign Street
Leeds
West Yorkshire
LS1 4DA

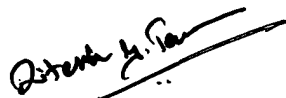
14 June 2019

CRODA WORLD TRADERS LIMITED
REGISTERED NUMBER: 155113

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £000	2017 £000
Non-current assets			
Investments	5	1,902	1,902
Current assets			
Debtors	6	5,004	5,004
Net assets		<u>6,906</u>	<u>6,906</u>
Capital and reserves			
Called up share capital	7	7,963	7,963
Profit and loss account		<u>(1,057)</u>	<u>(1,057)</u>
Total shareholders' funds		<u>6,906</u>	<u>6,906</u>

The financial statements on pages 6 to 11 were approved and authorised for issue by the board and were signed on its behalf on 14 June 2019.



Mr R Tanna
Director

CRODA WORLD TRADERS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital	Profit and loss account	Total shareholders' funds
	£000	£000	£000
At 1 January 2018	7,963	(1,057)	6,906
At 31 December 2018	7,963	(1,057)	6,906

The notes on pages 8 to 11 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital	Profit and loss account	Total shareholders' funds
	£000	£000	£000
At 1 January 2017	7,963	(1,057)	6,906
At 31 December 2017	7,963	(1,057)	6,906

The notes on pages 8 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year. Details of new standards, amendments and interpretations can be viewed on page 106 of the Group's Annual Report and Accounts.

The Company is a wholly owned subsidiary of Croda International Plc and is included in the consolidated financial statements of Croda International Plc which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

1.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

1.3 Investments

Investments held in subsidiary undertakings are shown at cost less provision for impairment.

1.4 Financial risk factors

The Group accounting policy for financial risk factors is also relevant to the preparation of the Company financial statements and is disclosed on pages 130 and 131 of the Group's Annual Report and Accounts.

1.5 Going concern

The financial statements have been prepared on a going concern basis as, after making appropriate enquiries, including a review of forecasts, budgets and banking facilities, the Directors have a reasonable expectation that the Company has adequate resources to continue in existence.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting estimates and judgements

The significant accounting policies under IFRS of the Croda International Plc Group have been set by management with the approval of the Audit Committee. The application of these policies requires estimates and assumptions to be made concerning the future and judgements to be made on the applicability of policies to particular situations. Estimates 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. Under IFRS an estimate or judgement may be considered critical if it involves matters that are highly uncertain or where different estimation methods could reasonably have been used, or if changes in the estimate that would have a material impact on the Group's results are likely to occur from period to period.

These judgements can be viewed on page 105 of the Group's Annual Report and Accounts, however none are relevant to the preparation of the financial statements for Croda World Traders Limited.

3. Auditor's remuneration

The audit fee for the year of £1,000 (2017: £1,000) was borne by the ultimate parent company, Croda International Plc.

4. Staff costs

The Company has no employees (2017: None) other than the Directors, who did not receive any remuneration in respect of their services to the Company (2017: £Nil).

5. Investments

	Investments in subsidiary companies £000
Cost and net book value	
At 1 January 2018	1,902
Additions	-
At 31 December 2018	<u>1,902</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Investments (continued)

Subsidiary undertakings

The following were dormant subsidiary undertakings of the Company. The registered office for each is the same as for Croda World Traders Limited and can be found on the Company information page.

Name	Class of shares	Holding
Sowerby & Company Limited	Ordinary	100%
Croda Fire Fighting Chemicals Limited	Ordinary	100%
Croda Bakery Services Limited	Ordinary	100%
John L Seaton & Company Limited	Ordinary	100%
Croda Food Services Limited	Ordinary	100%
Croda Bowmans Chemicals Limited	Ordinary and Preference	100%

The Directors believe that the carrying value of investments is supported by their underlying net assets.

6. Debtors

	2018	2017
	£000	£000
Amounts owed by group undertakings	5,004	5,004

Amounts owed by group undertakings are unsecured, non-interest bearing and have no fixed terms of repayment. It is not expected that the full amount will be collected within 12 months.

7. Called up share capital

	2018	2017
	£000	£000
Allotted, called up and fully paid		
28,850,616 (2017 - 28,850,616) Ordinary shares of £0.25 each	7,213	7,213
750,000 (2017 - 750,000) 7% Cumulative Preference shares of £1.00 each	750	750
	7,963	7,963

The preference shares carry no voting rights other than in certain circumstances affecting the rights of the preference shareholders, details of which are set out in the Company's Articles of Association. In a winding up, preference shareholders have priority among members to the assets of the Company available for distribution. Rights on a winding up are limited to repayment of capital and any arrears of dividends. Preference dividends have been waived.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Related party transactions

The Company has taken advantage of the exemption available under FRS 101 from disclosing transactions with other Group undertakings. There were no other related party transactions during the year.

9. Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking and controlling party is Croda International Plc, a company registered in England. Croda International Plc Group is the largest and smallest group of which the Company is a member and for which consolidated financial statements are prepared. Copies of the Group financial statements can be obtained from the Company Secretary at the registered office of the Company detailed on the Company information page.