

Cascade Biochem Limited

Directors' Report and Accounts

For the year ended 31 March 2018

Registered number: 02327661

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Cascade Biochem Limited

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Cascade Biochem Limited

Directors' report

The directors present their report and audited accounts for the year ended 31 March 2018.

Principal activity

Until 5 June 2007 the company was the holding company of Johnson Matthey Pharmaceutical Materials Ireland Limited. On 19 September 2018, the directors took the decision to dissolve the company. As the directors intend to dissolve the company, they have not prepared the financial statements on a going concern basis. The effect of this is explained in the Basis of Preparation section of the accounting policies.

Results and dividends

The company's loss for the year ended 31 March 2018 is £35,000 (2017 £34,000). The income statement is set out on page 5. A fixed cumulative preference dividend of £36,000 was accrued during the year (2017 £18,000 paid and a further £18,000 accrued). The directors do not recommend the payment of a final ordinary dividend for the year ended 31 March 2018 (2017 £ nil).

Directors

The directors who served during the year were S Farrant and S P Robinson. A Holford was appointed on 21 August 2018.

Directors' indemnity

Under a Deed Poll dated 20 July 2005, which was replaced during the previous year by an updated Deed Poll dated 31 January 2017, the ultimate parent company has granted indemnities in favour of each director of its subsidiaries in respect of any liability that he or she may incur to a third party in relation to the affairs of any group member. Such indemnities were in force during the year ended 31 March 2018 for the benefit of all persons who were directors of the subsidiaries at any time during the year ended 31 March 2018 and remain in force for the benefit of all persons who are directors of the subsidiaries at the date when this report was approved.

Disclosure of information to auditor

So far as each person currently serving as a director of the company at the date this report is approved is aware, there is no relevant audit information of which the company's auditor is unaware and each director hereby confirms that he or she 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 auditor is aware of that information.

Independent auditor

KPMG LLP remain the auditor for the year ended 31 March 2018. Following an audit tender conducted during the year, PricewaterhouseCoopers LLP were selected as auditor for the Johnson Matthey group. A resolution to appoint PricewaterhouseCoopers LLP as auditor of the company has been approved by the directors at the time of signing these financial statements.

Statement of Directors' responsibilities in respect of the Directors' report and the accounts

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 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;

Cascade Biochem Limited

Directors' report

- 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 (as explained in the Basis of Preparation, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

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.

By order of the board



S Farrant

Company Secretary

16 October 2018

Independent auditor's report to the members of Cascade Biochem Limited

Opinion

We have audited the financial statements of Cascade Biochem Limited ("the company") for the year ended 31 March 2018 which comprise the income statement, the balance sheet, the statement of changes in equity and related notes, including the accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its loss 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 for 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.

Going concern

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 twelve months from the date of approval of the financial statements. We draw attention to the disclosure made in the Basis of Preparation to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

Directors' report

The directors are responsible for the Directors' report. Our opinion on the financial statements does not cover this 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 this report for the financial year is consistent with the financial statements; and
- in our opinion this 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; or
- 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.

Independent auditor's report to the members of Cascade Biochem Limited

Directors' responsibilities

As explained more fully in their statement set out on pages 1 and 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.

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.



Rebecca Pett (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London E14 5GL

19 October 2018

Cascade Biochem Limited

Income statement

For the year ended 31 March 2018

	Notes	2018 £'000	2017 £'000
Administrative expenses		(2)	(2)
Operating loss		(2)	(2)
Finance income	1	4	4
Finance costs	2	(36)	(36)
Loss before tax	3	(34)	(34)
Income tax charge	4	(1)	-
Loss for the year		<u>(35)</u>	<u>(34)</u>

There was no other comprehensive income or expenses during the year.

The accompanying notes set out on pages 9 to 10 are an integral part of the accounts.

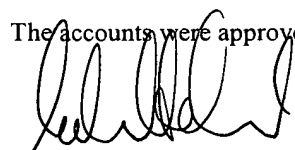
Cascade Biochem Limited

Balance sheet

As at 31 March 2018

	Notes	2018 £'000	2017 £'000
Assets			
Current assets			
Amounts receivable from parent company		1,776	1,779
Total assets		<u>1,776</u>	<u>1,779</u>
Liabilities			
Current liabilities			
Accrued non-equity preference dividend	5	(54)	(18)
Amounts payable to parent company		(2)	-
Non-equity preference shares owed to parent company	5	(363)	(363)
Other accruals and deferred income		-	(6)
Total liabilities		<u>(419)</u>	<u>(387)</u>
Net assets		<u>1,357</u>	<u>1,392</u>
Equity			
Share capital	6	2	2
Share premium account		1,405	1,405
Retained loss		(50)	(15)
Total equity		<u>1,357</u>	<u>1,392</u>

The accounts were approved by the board on 16 October 2018 and signed on its behalf by:



A Holford
Director

Company registration number: 02327661

The accompanying notes set out on pages 9 to 10 are an integral part of the accounts.

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Statement of changes in equity

For the year ended 31 March 2018

	Share capital £'000	Share premium account £'000	Retained earnings £'000	Total equity £'000
At 1 April 2016	2	1,405	19	1,426
Loss for the year	-	-	(34)	(34)
Total comprehensive income	-	-	(34)	(34)
At 31 March 2017	2	1,405	(15)	1,392
Loss for the year	-	-	(35)	(35)
Total comprehensive income	-	-	(35)	(35)
At 31 March 2018	2	1,405	(50)	1,357

The accompanying notes set out on pages 9 to 10 are an integral part of the accounts.

Cascade Biochem Limited

Accounting policies

For the year ended 31 March 2018

Basis of preparation

The accounts are prepared in accordance with Financial Reporting Standard (FRS) 101 – ‘Reduced Disclosure Framework’. In preparing these accounts, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of FRS 101 disclosure exemptions has been taken.

The accounts are prepared on the historical cost basis

The company has applied the exemptions under FRS 101 in respect of the following disclosures:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 Presentation of Financial Statements
- 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; and
- 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.

In previous years, the financial statements have been prepared on a going concern basis. However, on 19 September 2018 the directors took the decision to dissolve the company by the end of March 2019. In these circumstances it is not appropriate to prepare the financial statements on a going concern basis. The directors have considered the adjustments necessary and identified no differences.

Finance costs and finance income

Finance costs and finance income are recognised in the income statement in the year incurred.

Taxation

Current tax is recognised in the income statement and is the amount of income tax expected to be paid in respect of taxable profits using the tax rates that have been enacted or substantively enacted at the balance sheet date.

Cascade Biochem Limited

Notes to the accounts

For the year ended 31 March 2018

1. Finance income

	2018 £'000	2017 £'000
Interest receivable from ultimate parent company	4	4
Total finance income	4	4

2. Finance costs

	2018 £'000	2017 £'000
Preference share dividends payable to parent company	36	36
Total finance costs	36	36

3. Loss before tax

The directors are remunerated by the ultimate parent company (note 8). No remuneration was paid to the directors in respect of services to this company (2017 £ nil). During the year none of the directors (2017 none) exercised share options in the ultimate parent company and two of the directors (2017 three) received shares under the ultimate parent company long term incentive plan.

Audit fees payable to the company's auditor for the audit of the company's annual accounts were £2,000 (2017 £2,000).

4. Taxation

	2018 £'000	2017 £'000
The tax charge for the year can be reconciled to the loss per the income statement as follows:		
Loss before taxation	(34)	(34)
Tax credit at UK corporation tax rate of 19% (2017 20%)	(6)	(7)
Effects of:		
Expenses not deductible for tax purposes	7	7
Total tax charge for the year	1	-

In October 2015 the UK government substantively enacted changes in the UK corporation tax rate from 20% to 19% from 1 April 2017 and to 18% from 1 April 2020. In September 2016 a further change to 17% from 1 April 2020 was enacted.

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Notes to the accounts

For the year ended 31 March 2018

5. Non-equity preference shares owed to parent company

The liability for non-equity preference shares relates to 400,000 allotted, called up and fully paid preference shares of 1p each with a related premium of £359,000. The preference shares carry an entitlement to a cumulative fixed dividend of 9p per share per annum paid half yearly in arrears on 30 June and 31 December. Total arrears of cumulative preference share dividends amount to £54,000 (2017 £18,000). Dividends accrued prior to 17 October 2002 have been waived. The preference shares have no voting rights.

6. Share capital

	Number	£'000
Issued and fully paid ordinary shares of £1 each		
At beginning and end of year	<u>1,897</u>	<u>2</u>

7. Related party transactions

There were no related party transactions during the year other than between the company and other Johnson Matthey group companies.

8. Ultimate parent company

The company's immediate and ultimate parent company is Johnson Matthey Plc. The consolidated accounts of Johnson Matthey Plc are available to the public and may be obtained from 5th Floor, 25 Farringdon Street, London EC4A 4AB.