

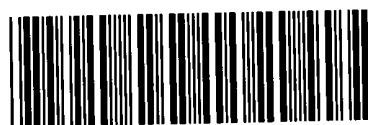
Alltech Associates Applied Science Limited

Registered number: 01466844

Annual report and financial statements

For the year ended 31 December 2016

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ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

COMPANY INFORMATION

Director	P Stamp
Company secretary	A Przytulla
Registered number	01466844
Registered office	Oakpark Business Centre Alington Road St. Neots Cambridgeshire PE19 6WA
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants & Statutory Auditor The Atrium 1 Harefield Road Uxbridge UB8 1EX
Bankers	Deutsche Bank AG Winchester House 1 Great Winchester Street London EC2N 2DB Barclays Bank PLC Birmingham B1 3PF
Solicitors	Baker McKenzie 100 New Bridge Street London EC4Y 6JA

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

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ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

Introduction

The director presents his strategic report and the audited financial statements of the company for the year ended 31 December 2016. The company is incorporated in England and Wales and is limited by shares of the company.

Principal activities

Up until March 2016, the company's principal activity was the manufacture, import and sale of chromatography materials and equipment. The company ceased this activity at the end of March 2016 and changed its principal activity to providing sales support services to Grace GmbH (formerly Grace GmbH & Co.KG) located in Worms, Germany, a fellow subsidiary undertaking of W.R. Grace & Co.

Review of business and future developments

Given the change in principal activity during the year, a comparison of trading compared to the prior period is not provided. The director is, however, content with the progress made in the year and in particular the transition of the business to the that of a sales support function. There is no current intention to change this activity in the future.

Principal risks and uncertainties

In the opinion of the director, the principal risks and uncertainties relate to competition from other manufacturers and employee retention. The company is embedded in the Grace group-wide risk management system to identify and manage these risks.

Competition from other manufacturer

Management participates in regular meetings on a Group-wide basis where the business and competition are discussed including potential business gains and losses. As the company provides sales support services to Grace GmbH, group risk management at group level is deemed sufficient to address the risks faced by the company.

Employee retention

The company has already implemented generous incentive schemes, which have proved to be excellent tools towards attracting new recruits and the success of the employee retention policy.

Financial risk management objectives and policies

The company uses a variety of financial instruments including cash, intercompany debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to provide working capital for the company's operations.

Given the strong financial position of the company and the nature of the company's activities, the director does not consider liquidity risk to be significant to the company at this time. The director sets and reviews policies for managing each of these risks and they are summarized below.

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

Credit risk

The principal credit risk arises from its receivables from group undertakings. In order to manage credit risk the director performs regular review of the level, aging and collectivity of the outstanding balances.


Currency Risk

The company is exposed to foreign exchange risk. This risk is mitigated, where possible, by undertaking transactions with overseas suppliers in sterling. The company has the facility to enter into forward currency agreements if deemed necessary given the specific risks of each situation.

Key performance indicators

Given the nature of the business and its ownership, key performance indicators are not regarded as being applicable by the director.

This report was approved by the director on 29 September 2017.


P Stampp
Director

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The director presents his annual report and the audited financial statements for the year ended 31 December 2016.

Results and dividends

The profit for the financial year amounted to £953,108 (2015: £1,750,968).

The director does not recommend the payment of a dividend (2015: £nil).

Directors

The directors who served during the year were:

P Stamp (appointed 24 February 2016)
D M Crowshaw (resigned 31 March 2016)
D Michael (resigned 24 February 2016)
R Gatte (resigned 24 February 2016)
I Page (resigned 24 February 2016)

Disabled employees

It is the policy of the company to consider the skills and aptitudes of disabled persons fully and fairly at all times in recruitment, career development, training and promotion. In pursuing this policy and having special concern for employees who become disabled, all practical measures are taken to ensure that disabled persons are placed in jobs suited to their individual circumstances.

Communication to employees

The company holds regular meetings with representatives of employees to discuss and consult on matters of mutual interest.

Donations

The company has made no political donations (2015: £nil) and charitable donations during the year were £nil. (2015: £nil).

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

Statement of director's responsibilities

The director is responsible for preparing the strategic report, the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Provision of information to auditors

The director at the time when this director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and
- he 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 auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the director on 29 September 2017.



P Stampp
Director

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

Report on the financial statements

Our opinion

In our opinion, Alltech Associates Applied Science Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 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.

What we have audited

The financial statements, included within the annual report and financial statements (the "Annual Report"), comprise:

- the statement of financial position as at 31 December 2016;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the director has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the strategic report and director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the strategic report and the director's report. We have nothing to report in this respect.

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

Other matters on which we are required to report by exception**Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit**Our responsibilities and those of the director**

As explained more fully in the statement of director's responsibilities set out on page 4, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the director; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the director's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the strategic report and director's report, we consider whether these reports include the disclosures required by applicable legal requirements.



Christopher Maw (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditor

Uxbridge

29 September 2017

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	Continuing operations 2016 £	Discontin'd operations 2016 £	Total 2016 £	As restated Continuing operations 2015 £	As restated Discontin'd operations 2015 £	As restated Total 2015 £
Turnover	3	2,430,942	335,091	2,766,033	360,091	1,083,298	1,443,389
Cost of sales		(1,341,794)	(70,082)	(1,411,876)	(427,897)	(567,204)	(995,101)
Gross profit/(loss)		1,089,148	265,009	1,354,157	(67,806)	516,094	448,288
Distribution costs		-	(513,489)	(513,489)	-	(683,948)	(683,948)
Administrative expenses		(490,000)	(27,802)	(517,802)	(185,405)	(36,493)	(221,898)
Other operating income	4	-	63,407	63,407	-	768,430	768,430
Operating profit/(loss)	5	599,148	(212,875)	386,273	(253,211)	564,083	310,872
Income on sale of discontinued operations		-	980,793	980,793	-	-	-
Income from shares in participating interests		-	-	-	1,534,862	-	1,534,862
Finance cost	9	(9,188)	-	(9,188)	(72,031)	-	(72,031)
Profit before taxation		589,960	767,918	1,357,878	1,209,620	564,083	1,773,703
Tax on profit	10	(117,992)	(286,778)	(404,770)	(15,687)	(7,048)	(22,735)
Profit for the financial year		471,968	481,140	953,108	1,193,933	557,035	1,750,968

There was no other comprehensive income for 2016 (2015: £nil).

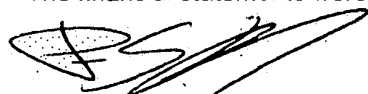
The notes on pages 11 to 26 form part of these financial statements.

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED
REGISTERED NUMBER: 01466844

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 £	As restated 2015 £
Fixed assets			
Intangible assets	11	1,910,292	2,312,458
Tangible assets	12	2,366	20,340
Investments	13	2,028,693	2,028,693
		<u>3,941,351</u>	<u>4,361,491</u>
Current assets			
Stocks	14	-	68,487
Debtors	15	4,304,500	1,793,995
Cash at bank and in hand	16	-	364,209
		<u>4,304,500</u>	<u>2,226,691</u>
Creditors: amounts falling due within one year	17	(1,347,668)	(672,667)
Net current assets		<u>2,956,832</u>	<u>1,554,024</u>
Total assets less current liabilities		<u>6,898,183</u>	<u>5,915,515</u>
Provisions for liabilities			
Deferred tax	18	597	1,205
Other provisions	19	(41,689)	(12,737)
		<u>(41,092)</u>	<u>(11,532)</u>
Net assets		<u><u>6,857,091</u></u>	<u><u>5,903,983</u></u>
Capital and reserves			
Called up share capital	20	3,931,594	3,931,594
Share premium account		13,325	13,325
Profit and loss account		2,912,172	1,959,064
Total equity		<u><u>6,857,091</u></u>	<u><u>5,903,983</u></u>

The financial statements were approved and authorised for issue by the director on 29 September 2017.



P Stamp
Director

The notes on pages 11 to 26 form part of these financial statements.

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2015	9,000	13,325	208,096	230,421
Comprehensive income for the year				
Profit for the financial year	-	-	1,750,968	1,750,968
Total comprehensive income for the year	-	-	1,750,968	1,750,968
Shares issued during the year	3,922,594	-	-	3,922,594
At 31 December 2015 (as originally reported)	3,931,594	13,325	1,709,755	5,654,674
Prior year adjustment				
Transfer pricing adjustment in relation to 2015 (see note 2.12)	-	-	249,309	249,309
At 31 December 2015 (as restated)	3,931,594	13,325	1,959,064	5,903,983
Comprehensive income for the year				
Profit for the financial year	-	-	953,108	953,108
Total comprehensive income for the year	-	-	953,108	953,108
At 31 December 2016	3,931,594	13,325	2,912,172	6,857,091

The notes on pages 11 to 26 form part of these financial statements.

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

Alltech Associates Applied Science Limited is a limited company incorporated in the United Kingdom. The address of its registered office is Oakpark Business Centre, Alington Road, St Neots, PE19 6WA.

The principal activity of the company is to provide sales support services, to a fellow subsidiary undertaking of W.R.Grace & Co.

The reporting currency for the company is Pound Sterling as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest pound.

2. Accounting policies

The financial statements of Alltech Associates Applied Science Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102") and the Companies Act 2006.

2.1 Basis of preparation of financial statements

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

2.2 Consolidated financial statements

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent. These financial statements therefore present information about the company as an individual undertaking and not about its group.

2.3 Tangible fixed assets

Tangible fixed assets are stated at historic purchase cost attributable to bringing the asset to its working condition for its intended use less accumulated depreciation. Depreciation is calculated to write off the costs less the estimated residual value of tangible fixed assets by installments over their estimated useful economic lives. Depreciation is charged to the statement of comprehensive income on a straight line basis at the following annual rates:

Short-term leasehold property	- The greater of 2% or remaining life of lease
Plant and machinery	- 5% to 25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.4 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives.

The estimated useful lives are as follows:

Investment in sales force	-	6	years
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Amortisation is charged to administrative expenses in the statement of comprehensive income.

Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances. The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

2.5 Stocks and work in progress

Stocks and work in progress were stated at the lower of cost (using first-in, first-out methodology), and net realisable value. Cost includes expenditure directly incurred in bringing stocks and work in progress to their current condition together with an appropriate proportion of production overhead expenditure. Provision is made for obsolete, slow moving and defective stocks.

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the country.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried-forward tax losses and from which the future reversal of underlying timing differences can be conducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.7 Turnover

Turnover comprises the amount receivable for goods supplied and services, excluding value added tax and net of trade discounts. Turnover is recognised when the significant risk and reward of ownership has transferred to the customer and services have been provided based on the contract term.

2.8 Foreign currencies

Functional and presentation currency

The company's functional and presentational currency is the pound sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses are presented in the statement of comprehensive income within 'Administrative expenses'.

2.9 Operating leases

Rentals are charged to the statement of comprehensive income on a straight line basis over the term of the lease.

2.10 Pensions

The company participates in a multi-employer define benefit pension scheme for the benefit of the majority of its employees, the assets of which are held separately from those of the company in independently administered funds. As the company is unable to identify its share of the assets and liabilities of the group scheme, it accounts for contributions as if they were to a defined contribution pension scheme in accordance with FRS 102.

2.11 Research and development

Research and development expenditure is written off to the statement of comprehensive income as it is incurred.

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.12 Restatement

The prior year comparatives included in these financial statements have been restated due to a transfer pricing adjustment between Alltech Associates Applied Sciences and another group company. The director believes these restatements present a more accurate picture of the financial position and performance of the business and its activities.

The impact on the result for the year to 31 December 2015 is an increase in the profit of £249,309. The impact on net assets at 31 December 2015 an increase of £249,309.

2.13 Investments

Investments in group undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the director when there has been an indication of potential impairment.

2.14 Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 FRS 102 Exemptions

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders. The company has taken advantage of the following exemptions:

- (i) from the requirement to prepare a statement of cash flows as required by paragraph 3.17. (d) of FRS 102; and
- (ii) from the requirement to present financial instrument disclosures, as required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29.
- (iii) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.17 Judgements in applying accounting policies and key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are:

a) Impairment of inventory

Although the company manufactures to specific customer order, certain generic raw materials and components are purchased based on expected order levels. As a result it is necessary to consider the recoverability of the cost of inventory and any associated impairment provision required. When calculating the inventory impairment provision, management considers the nature and condition of the inventory as well as applying assumptions about the future usage of raw materials and components.

b) Impairment of debtors

The company makes an estimate of the recoverable value of trade receivables. When assessing the impairment, management considers factors including the current credit rating of the customer, the ageing profile of the receivable and historical experience.

c) Impairment of intangible assets

Intangible assets are tested for impairment where there is an indication that the asset may be impaired. Existence of impairment indicators is assessed at each reporting date, and the director deemed there to be no indicators at the end of the year.

d) Impairment of fixed assets

The company considers whether fixed asset impairments are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the investment. This requires estimation of the future cash flows from the investment and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

2.18 Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. The company has only basic financial instruments.

Basic financial assets comprise trade and other receivables, amounts owed by other group companies and cash and bank balances and are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

Financial assets are de-recognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Basic financial liabilities comprise trade and other payables and are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest method.

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.18 Financial instruments (continued)

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are de-recognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Financial assets and financial liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and liability simultaneously.

Finance income from financial assets and finance costs on financial liabilities are recognised in the statement of comprehensive income using the effective interest rate method.

2.19 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3. Turnover

Analysis of turnover by country of destination:

	2016 £	As restated 2015 £
United Kingdom	1,645,588	1,443,389
Rest of Europe	1,095,131	-
Rest of the world	25,314	-
	<u>2,766,033</u>	<u>1,443,389</u>

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

4. Other operating income

	2016 £	As restated 2015 £
Other operating income	63,407	768,430
	<u>63,407</u>	<u>768,430</u>

Other operating income comprises mainly recharges of costs made on behalf of other group companies.

5. Operating profit/(loss)

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

	2016 £	2015 £
Depreciation of tangible fixed assets	2,243	6,797
Amortisation of intangible assets	402,166	100,542
Foreign exchange losses	59,063	25,784
Operating lease rentals	39,304	31,500
Income on sale of discontinued operations	980,793	-
	<u>980,793</u>	<u>-</u>

6. Auditors' remuneration

	2016 £	2015 £
Fees payable to the company's auditors and its associates for the audit of the company's annual financial statements	19,598	15,432
	<u>19,598</u>	<u>15,432</u>

7. Employees

The average monthly number of employees, including the director, during the year was as follows:

	2016 No.	2015 No.
Distribution staff	9	8
Other (manufacturing)	4	3
	<u>13</u>	<u>11</u>

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

7. Employees (continued)

	2016 £	2015 £
Staff costs		
Wages and salaries	1,130,331	599,731
Social security costs	192,586	62,141
Other pension costs	125,818	111,319
	<u>1,448,735</u>	<u>773,191</u>

8. Director's emoluments

	2016 £	2015 £
Aggregate emoluments (excluding defined benefit pension scheme contributions of £2,583 (2015: £6,100))	<u>23,278</u>	<u>110,262</u>

Retirement benefits are accruing to 1 director (2015: 1) under a defined benefit scheme. Four (2015: four) of the directors were primarily employed by other companies in the group and remunerated by those companies for their services to the group as a whole. No recharge has been made to the company (2015: £nil).

9. Finance income

	2016 £	2015 £
Interest payable on amounts owed to group undertakings	<u>9,188</u>	<u>72,031</u>
	<u>9,188</u>	<u>72,031</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Tax on profit

	2016 £	As restated 2015 £
Corporation tax		
Current tax on profits for the year	405,378	21,168
Total current tax	<u>405,378</u>	<u>21,168</u>
Deferred tax		
Origination and reversal of timing differences	(608)	1,567
Total deferred tax	<u>(608)</u>	<u>1,567</u>
Tax on profit	<u>404,770</u>	<u>22,735</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £	As restated 2015 £
Profit before taxation	1,357,878	1,773,703
Profit before taxation multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	271,576	359,175
Effects of:		
Expenses not deductible for tax purposes	(2,579)	-
Adjustments to tax charge in respect of prior period restatement	50,485	(50,485)
Other permanent differences	4,003	2,192
Dividends received not subject to tax	-	(310,810)
Permanent difference due to amortisation of intangibles	81,285	21,096
Deferred tax	-	1,567
Total tax charge for the year	<u>404,770</u>	<u>22,735</u>

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

10. Tax on profit (continued)**Factors that may affect future tax charges**

A reduction in the UK corporation tax rate from 20% to 19% was substantively enacted in July 2015 and takes effect from 1 April 2017. A further reduction in the UK corporation tax rate to 17% from 1 April 2020, was substantively enacted in September 2016.

Deferred tax has been calculated at the rate applicable for the period in which the timing difference is expected to reverse.

11. Intangible assets

	Investment in sales force £
Cost	
At 1 January 2016	2,413,000
At 31 December 2016	<u>2,413,000</u>
Accumulated amortisation	
At 1 January 2016	100,542
Charge for the year	402,166
At 31 December 2016	<u>502,708</u>
Net book value	
At 31 December 2016	<u>1,910,292</u>
At 31 December 2015	<u>2,312,458</u>

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

12. Tangible assets

	Short-term leasehold property £	Plant and machinery £	Total £
Cost			
At 1 January 2016	35,766	180,122	215,888
Additions	-	2,610	2,610
Disposals	(35,766)	(180,122)	(215,888)
At 31 December 2016	-	2,610	2,610
Accumulated depreciation			
At 1 January 2016	24,872	170,676	195,548
Charge for the year on owned assets	90	2,153	2,243
Disposals	(24,962)	(172,585)	(197,547)
At 31 December 2016	-	244	244
Net book value			
At 31 December 2016	-	2,366	2,366
At 31 December 2015	10,894	9,446	20,340

All disposals are linked to the business of import and sale of chromatography materials (see note 21).

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

13. Investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2016	2,028,693
At 31 December 2016	<u>2,028,693</u>
Net book value	
At 31 December 2016	<u>2,028,693</u>
At 31 December 2015	<u>2,028,693</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Grace Davison India Pvt.	ordinary	100 %	Manufacture and sale of chromatography porous materials

The registered address of Grace Davison India Pvt. is Grace Davison Chemicals India Pvt. Ltd., 4th Floor, Pinnacle Srestha, No.20/39, Oliver Road, Mylapore, Chennai 600004, Tamil Nadu, India.

14. Stocks

	2016 £	2015 £
Raw materials and consumables	-	4,258
Work in progress	-	63,669
Finished goods and goods for resale	-	560
	<u>-</u>	<u>68,487</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Debtors

	2016 £	2015 £
Trade debtors	-	152,372
Amounts owed by group undertakings	4,133,864	1,637,987
Other debtors	150,257	-
Prepayments and accrued income	20,379	3,636
	<u>4,304,500</u>	<u>1,793,995</u>

Amounts owed by group undertakings are unsecured and have no fixed repayment date and no interest is charged.

16. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	-	364,209
Less: bank overdrafts	(3,320)	-
	<u>(3,320)</u>	<u>364,209</u>

17. Creditors: Amounts falling due within one year

	2016 £	As restated 2015 £
Bank loans and overdrafts	3,320	-
Trade creditors	31,664	33,344
Amounts owed to group undertakings	-	361,698
Corporation tax	517,221	-
Other taxation and social security	150,233	248,420
Other creditors	615,818	3,773
Accruals and deferred income	29,412	25,432
	<u>1,347,667</u>	<u>672,667</u>

Amounts owed to group undertakings were unsecured and had no fixed repayment date.

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

18. Deferred taxation

	2016 £	2015 £
At beginning of year	1,205	2,772
Charged to profit or loss	(608)	(1,567)
At end of year	597	1,205

The deferred tax asset is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	597	1,205
	597	1,205

19. Provisions for liabilities

	Dilapidation provision £	Long term incentives £	Total £
At 1 January 2016	12,737	-	12,737
(Credited)/charged to statement of comprehensive income	(12,737)	41,689	28,952
At 31 December 2016	-	41,689	41,689

The dilapidation provision represents estimated dilapidation costs to be incurred on leasehold properties. Under the lease agreements of these properties the company is liable for the rectification costs associated with dilapidation over the life of the lease. The provision is calculated on management's best estimates of the obligation arising from the extent of the wear and tear taking place each year. Related lease agreements were transferred within the divestiture of the manufacture, import and sale of chromatography materials and equipment.

20. Called up share capital

	2016 £	2015 £
Shares classified as equity		
Authorised, allotted, called up and fully paid		
3,931,594 (2015: 3,931,594) ordinary shares of £1 each	3,931,594	3,931,594

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

21. Discontinued operations

As of 26 April 2016 Alltech Associates Applied Science Limited disposed of its chromatography manufacture and sale operations. Proceeds amount to £980,794.

22. Pension commitments

The company participates in the Grace UK Pension Plan (the Plan), which is a multi-employer defined benefit scheme, with other group companies within the UK. The employers share the actuarial risks associated with all current and former employees. The company is not legally responsible for the plan, and is unable to identify its share of the underlying assets and liabilities. As such the company does not have sufficient information to use defined benefit accounting and has accounted for the scheme on a defined contribution basis under the provisions of FRS102.

GCP Applied Technologies (UK) Limited, another company within the scheme, has been determined as the defacto legally responsible party for the scheme, as such all defined benefit disclosures as required per FRS102 are included within this fellow group company. Contributions to the plan in respect of the company's employees was £125,818 (2015: £111,319).

As a result of the exit from the scheme at the end of the year, there will no longer be any pension scheme at the company.

23. Commitments under operating leases

At 31 December the company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	34,223	71,194
Later than 1 year and not later than 5 years	57,134	205,020
	<u>91,357</u>	<u>276,214</u>

24. Related party transactions

The company is a wholly owned subsidiary of W.R. Grace & Co and is included in the consolidated financial statements of the company.

The company has availed of the exemption provided in FRS102, "Related Party Disclosures", for subsidiary undertakings whose voting rights are wholly controlled within the group, from the requirement to give details of transactions with entities that are part of the group or investees of the group qualifying as related parties.

ALLTECH ASSOCIATES APPLIED SCIENCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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25. Controlling party

The immediate parent undertaking is Alltech Associates Inc. and the ultimate parent undertaking and controlling party is W. R. Grace & Co, both of which are incorporated in the United States of America.

The only consolidated financial statements prepared and of which the company is a member are those of the ultimate holding company. Copies of the ultimate holding company's financial statement are publicly available and can be obtained from W. R. Grace & Co, 7500 Grace Drive, Columbia, Maryland, 21044, USA.