

MacDermid Autotype Limited

**Annual report and financial statements
for the year ended 31 December 2015**

Registered number: 00192795

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MacDermid Autotype Limited

Annual report and financial statements for the year ended 31 December 2015

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MacDermid Autotype Limited

Strategic report for the year ended 31 December 2015

The directors present their Strategic report on the company for the year ended 31 December 2015.

Principal activities

The company's principal activity is the manufacture and marketing of high technology specialised coated films and associated chemicals for the electronics and automotive industries and for the screen printing process used in a wide range of industries, including the electronics and automotive sectors.

Business review and results

The company's 2015 sales declined by £1,857k (4.8%) compared to 2014. That reduction included £179k (0.5%) from movements in the US Dollar and Euro currency rates against Sterling, leaving an underlying constant currency sales reduction of £1,678k (4.3%).

The results of the company show profit on ordinary activities before taxation of £4,014,000 (2014: £5,256,000) for the year and turnover of £36,674,000 (2014: £38,531,000).

Gross margin reduced from 31.1% in 2014 to 30.5% in 2015 due to lower sales against manufacturing cost base that has significant elements of fixed costs.

From 1 January 2016 the management, product development, marketing and distribution of the company's products has been transferred to other companies within the MacDermid group, so that resources can be shared with those businesses. From that date the company's principal activity is the manufacture of specialised coated film and liquid products for the electronics, automotive and printing industries.

Financial and non-financial key performance indicators (KPIs)

The company uses many measures of its business performance. It regards some of its KPIs as commercially confidential, particularly as the majority of its competitors are businesses based outside of the EU. Its competitors are not therefore required to publish similar information by their governments. Accordingly it will not be publishing KPIs that indicate, inter alia, the volume of film it produces.

KPIs Safety

The company treats the health and safety of its employees, customers and other stakeholders as being its principal priority.

	2015	2014
Number of reportable 'lost time' accidents (RIDDOR)	-	-
Number of working days lost due to accidents	39	8
Number of minor injuries	18	18

The company's lost time accident rate was the same in 2015. The number of minor injury accidents in 2015 was the same as 2014. The level of injury accidents remains at less than a quarter of those sustained in 2001. The company achieved the British Safety Council's International Safety Award for 2015 and 2014.

MacDermid Autotype Limited

Strategic report for the year ended 31 December 2015 (continued)

Financial and non-financial key performance indicators (KPIs) (continued)

KPIs Financial

	2015	2014
Gross profit as a percentage of sales	30.5%	31.1%
Sales per employee	£143,820	£149,926
Debtor days sales outstanding (Trade debtors, including intra-group trading debtors, divided by sales and multiplied by the number of days in the accounting period 2015:365 days (2014: 365))	34	37
Days inventory on hand (Inventory divided by cost of sales multiplied by the number of days in the accounting period)	73	72
Return on capital employed (Profit on ordinary activities after taxation as a percentage of year end net assets).	14.6%	21.7%

KPIs Environmental

The company is accredited to ISO 14001 Environment Management Standard and has achieved that Standard for its environmental management system since 1996.

The company uses Volatile Organic Compounds (VOCs) in some of its coating and chemical production processes. It uses abatement technology, where practicable, to reduce emissions of VOCs to the atmosphere.

KPIs for Volatile Organic Compounds

	2015	2014
VOC emissions as a percentage of use	7%	7%
VOC emissions (tonnes)	15	14
VOC volume abated/recovered (tonnes)	197	190

MacDermid Autotype Limited

Strategic report for the year ended 31 December 2015 (continued)

Financial and non-financial key performance indicators (KPIs) (continued)

Energy usage

The company is a member of a Climate Change Levy Scheme (CCLS) and invests in energy saving technology, where practicable. It also encourages its staff to use energy wisely.

It measures its energy usage in kilowatt hours per square metre of coated film produced in accordance with the rules of its CCLS.

KPIs Environmental (continued)

KPIs for Energy usage

	2015	2014
Energy used per square metre of coated film produced (kwh/m ²)	3.65	3.38

The energy use per square metre has risen by 0.28p per kwh/m². This reflects a move towards products with a higher added value per unit, but which also have higher energy input requirements. As part of the company's research and development activities, it seeks where practicable to reduce energy requirements by improving product designs and production processes.

Waste and recycling

The company seeks to minimise the level of waste that it sends to landfill and recycles the by-products of its processes where practicable. In 2015 and 2014 the company succeeded in its aim of sending zero solid waste to landfill.

KPIs for waste and recycling

	2015	2014
Percentage of solid waste sent to landfill	0%	0%
Percentage of solid waste sent to recycling or reuse	100%	100%

KPIs for water use and effluent produced

	2015	2014
Water usage (thousand tonnes)	19.9	19.8

MacDermid Autotype Limited

Strategic report for the year ended 31 December 2015 (continued)

Financial and non-financial key performance indicators (KPIs) (continued)

Human capital KPIs

The company monitors a number of KPIs regarding its staff. These include:

	2015	2014
Average days lost to sickness as a percentage of working days	2.44%	2.73%
Annual labour turnover as a percentage of total employees	4.85%	10.1%
Female employees as a percentage of total employees	20.2%	20.4%
Age distribution of employees		
	2015	2014
29 years or under	5.8%	7.2%
30 to 39 years	16.0%	15.6%
40 to 49 years	25.5%	29.8%
50 to 59 years	42.0%	35.8%
60 years and above	10.7%	11.6%

The future developments of the company are discussed in more details in the Directors' report on page 5 of these financial statements.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to the changes in foreign exchange rates, the company's competitors and changes in its markets due to technological change. The company has demonstrated a strong track record of managing those risks and benefits from a diversity in its product segments and geographic spread of sales.

Approved by the board of directors and signed on its behalf by



J W Braham

Director

26 September 2016

MacDermid Autotype Limited

Directors' report for the year ended 31 December 2015

The directors present their annual report and the audited financial statements for the year ended 31 December 2015.

Results and dividends

The results of the company for the year ended 31 December 2015 and the state of affairs as at that date are shown in the financial statements contained on pages 12 to 32. The directors consider that the results for the year and the financial position at the end of the year were satisfactory.

The directors recommend that no final ordinary dividend be paid in respect of the year ended 31 December 2015 (2014: £nil).

No interim dividends were paid or declared during the year (2014: £nil).

Future developments

Trading conditions are satisfactory in 2016, with profit before tax after 6 months of the year 15% above the level in the equivalent period last year. The Directors anticipate making satisfactory profits in 2016.

The vote in the UK Referendum to leave the European Union has caused turbulence in financial markets including exchange rates. As a company that exports the majority of its sales, the reduction in the rate of the GB Pound against the US dollar and the Euro will be helpful if rates remain near current levels. However those benefits will be reduced until 2017 by forward foreign currency cover that is in place.

It is too early to know how the exit from the EU will impact on the company. Between 35% to 40% of the company's sales are exports to the remaining members of the EU. The company benefits from the free movement of goods into and imported from the EU and it hopes that the negotiated exit treaty will minimise any adverse impacts on those movements.

Health, safety and environment

The health and safety of the company's employees and customers and the minimisation of the impact of the company's activities on the environment are prime concerns in decision making.

Financial risk management

The company uses various financial instruments. These include inter-company loans, cash, and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below.

The main risks arising from the company's financial instruments are market risk, cash flow interest rate risk, credit risk and liquidity risk. The Directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years, apart from the decision in early 2016 to put in place forward \$ and Euro currency contracts for 12 months ahead and renewed on a quarterly basis.

Market risk

Market risk encompasses three types of risk being currency risk, interest rate risk and price risk. The company's policies for managing interest rate risk are considered along with those for managing cash flow interest rate risk and are set out in the subsection entitled "Interest rate risk" below.

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Directors' report for the year ended 31 December 2015 (continued)

Currency risk

The company is exposed to translation and transaction foreign exchange risk. Platform Specialty Products Corporation, the ultimate parent company of MacDermid Autotype Limited, manages currency risks on a group wide basis.

Approximately 35% to 40% of the company's sales are invoiced in Euros. The company's policy is to reduce Euro currency exposure by purchasing as much as practicable of materials and expenses with items denominated in the Euro. In early 2016 the company took out forward Euro cover on between 50% to 75% of its net Euro currency flows.

About 35% to 40% of the company's sales are invoiced in US dollars. It is not practicable for the company to purchase any significant value of its material requirements in US dollars, but it continues to seek opportunities to do so. The majority of its suppliers produce their materials within the EU and do not wish to sell to the company in US dollars. In early 2016 the company took out forward dollar cover on between 50% to 75% of its net dollar flows.

Cover is being implemented 12 months ahead on a rolling quarterly basis, for both the US Dollar and the Euro.

The tables below show the extent to which the company has residual financial assets and liabilities in currencies other than sterling. Foreign exchange differences on retranslation of these assets and liabilities are taken to the statement of comprehensive income of the company.

Net foreign currency monetary asset

Functional currency of operations				
	Euro	US Dollar	Other currencies	Total
	£000	£000	£000	£000
2015				
Sterling	1,380	1,536	18	2,934
2014				
Sterling	1,090	3,315	53	4,458

Interest rate risk

The company has interest-bearing assets and liabilities. These include cash balances and intercompany loans. The directors will revisit the appropriateness of this policy should the company change in size and nature. The company seeks to manage financial risk by ensuring that sufficient liquidity is available to meet foreseeable needs. Surplus sterling cash is pooled on a daily basis with some fellow subsidiary companies of the Platform group within the UK.

MacDermid Autotype Limited

Directors' report for the year ended 31 December 2015 (continued)

Price risk

The company's exposure to risk consists mainly of movements in the price of its raw materials. The company has a good record of being able to recover increases in its raw materials costs by increasing its selling prices.

Liquidity risk

The company seeks to manage financial risk by ensuring that sufficient liquidity is available to meet foreseeable needs.

The company's funding need is primarily managed through its retained earnings.

The company has access to a shared overdraft facility which it uses very rarely to meet short-term fluctuations in cash requirements. The company's direct exposure to movements in short-term interest rates is low.

Credit risk

The company's principal financial assets are cash and trade debtors. The credit risk associated with the cash is limited as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises therefore from its trade debtors.

In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit agency references. Credit limits are reviewed by the financial controller on a regular basis in conjunction with debt ageing and collection history.

There was no significant concentration of credit risk with any individual customers.

Research and development

The company carries out research and product development for a variety of product sectors including printing, overlay protection films and film insert moulding.

During 2015 customers continued to switch across to the improved version of our principal Film Insert Moulding product, XtraForm HCL. FIM sales grew in the year even though the HCL version is sold at a lower price. The HCL product has improved manufacturing yields and requires lower energy consumption in production.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements, unless otherwise indicated, were as follows:

J W Braham

JL Cordani

T N Wright (resigned 12 May 2016)

D M Curtis (resigned 20 June 2016)

R Richards (resigned 7 July 2016)

J H Headon (appointed 7 July 2016)

F Monteiro (appointed 7 July 2016)

S Rosati (appointed 7 July 2016)

MacDermid Autotype Limited

Directors' report for the year ended 31 December 2015 (continued)

Political and charitable contributions

The company made charitable donations amounting to £670 for the year ended 31 December 2015 (2014: £725). The company made no political donations during the current and previous year.

Employees

It is the policy of the company that no job application or employee, full time or part time, will receive less favourable treatment because of their age, sex, sexual orientation, gender reassignment, marital status, colour, race, nationality, ethnicity, religion or belief, pregnancy, maternity, any disability or because someone is in a civil partnership. The company gives full and fair consideration to people with disabilities during recruitment, who are judged on whether or not they have the skills or experience to do the job in question. Particular consideration is given to the training, career development and promotion of employees with disabilities (and especially of those individuals who become disabled during employment). It is the aim of the company to comply at all times with the obligations imposed on it by relevant laws and regulations.

Management believes that employees will work more effectively if they are kept informed of the progress of their own company and of the group as a whole. For this reason, the executive directors of Platform Specialty Products Corporation regularly brief the managing directors of the various operating companies who, in turn, are responsible for communicating relevant information to their employees on a regular and systematic basis and consult them where appropriate.

Employee involvement in the group is encouraged as achieving a common awareness on the part of all employees of the financial and economic factors affecting the company plays a major role in maintaining the company's performance.

Qualifying third party indemnity provisions

As permitted by the Articles of Association, the directors have the benefit of indemnity which is a qualifying third party indemnity provision as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the last and current financial year and at the date of approval of the financial statements.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, 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 prepared 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 (FRS 102).

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;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;

MacDermid Autotype Limited

Directors' report for the year ended 31 December 2015 (continued)

Statement of directors' responsibilities (continued)

- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- 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 of disclosure of information to auditors

In accordance with Section 418 of the Companies Act 2006, in the case of each director in office at the date the Directors' report is approved:

- (a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) he has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP will continue in office as statutory auditors to the company.

Approved by the board of directors and signed on its behalf by



J H Headon

Director

Grove Road

Wantage

Oxfordshire

OX12 7BZ

26 September 2016

MacDermid Autotype Limited

Independent auditors' report to the members of MacDermid Autotype Limited

Report on the financial statements

Our opinion

In our opinion, MacDermid Autotype 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 2015 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 Balance sheet as at 31 December 2015;
- 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 directors have 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, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

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.

MacDermid Autotype Limited

Independent auditors' report to the members of MacDermid Autotype Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on pages 8 and 9, the directors are 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.

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 directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' 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.



Jackie Bradshaw (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
26 September 2016

MacDermid Autotype Limited

Statement of comprehensive income for the year ended 31 December 2015

	Note	2015 £000	2014 £000
Turnover	5	36,674	38,531
Cost of sales		(25,496)	(26,554)
Gross profit		11,178	11,977
Distribution costs		(4,013)	(4,064)
Administrative expenses		(3,888)	(3,367)
Other operating income		315	306
Operating profit	6	3,592	4,852
Income from shares in group undertakings		320	301
Profit on ordinary activities before interest and taxation		3,912	5,153
Interest receivable and similar income	8	102	103
Profit on ordinary activities before taxation		4,014	5,256
Tax on profit on ordinary activities	9	(747)	(1,052)
Profit for the financial year		3,267	4,204
Other comprehensive income		-	-
Total comprehensive income for the year		3,267	4,204

All of the activities of the company are classed as continuing.

The notes on pages 15 to 32 form part of these financial statements.


MacDermid Autotype Limited

Balance sheet as at 31 December 2015

	Note	2015 £000	2014 £000
Fixed assets			
Intangible assets	10	51	80
Tangible assets	11	2,827	3,052
Investments	12	891	900
		3,769	4,032
Current assets			
Inventories	13	5,068	5,242
Debtors	14	17,575	13,582
Cash at bank and in hand		1,256	1,912
		23,899	20,736
Creditors: amounts falling due within one year	15	(4,989)	(5,405)
Net current assets		18,910	15,331
Total assets less current liabilities		22,679	19,363
Provisions for liabilities	16	(82)	(33)
Net assets		22,597	19,330
Capital and reserves			
Called up share capital	20	14	14
Share premium account		914	914
Retained earnings		21,669	18,402
Total equity		22,597	19,330

The notes on pages 15 to 32 form part of these financial statements.

These financial statements on pages 12 to 32 were approved by the board of directors on 26 September 2016 and were signed on its behalf by:



J H Headon
Director



J W Braham
Director

Company number: 00192795

MacDermid Autotype Limited

Statement of changes in equity for the year ended 31 December 2015

	Called up share capital £000	Share premium account £000	Retained earnings £000	Total Equity £000
Balance as at 1 January 2014	14	914	14,198	15,126
Profit for the financial year	-	-	4,204	4,204
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	4,204	4,204
Balance as at 31 December 2014	14	914	18,402	19,330
Balance as at 1 January 2015	14	914	18,402	19,330
Profit for the financial year	-	-	3,267	3,267
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	3,267	3,267
Balance as at 31 December 2015	14	914	21,669	22,597

The share premium account represents the premium amount, over and above the nominal value, on any shares issued in the year and prior periods.

Retained earnings represents accumulated comprehensive income for the year and prior periods.

The notes on pages 15 to 32 form part of these financial statements.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015

1 General information

MacDermid Autotype Limited manufactures and markets high technology specialised coating films and associated chemicals. These are used in the electronics and automotive sectors as well as the screen printing process across a wide range of industries.

The company is a private company limited by shares and is incorporated and domiciled in England. The address of the registered office is Grove Road, Wantage, Oxfordshire OX12 7BZ.

2 Statement of compliance

The individual financial statements of MacDermid Autotype Limited ('the company') 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, under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements. Details of the transition to FRS 102 are disclosed in note 23.

Basis of preparation

These financial statements are prepared on a 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 preparation of financial statements in conformity with FRS 102 requires certain accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

The company is a wholly-owned subsidiary of Platform Specialty Products Corporation, a company incorporated in the United States of America 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. These financial statements are the company's separate financial statements.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources and no material uncertainties exist that may cast significant doubt about the ability of the company to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

3 Summary of significant accounting policies (continued)

Exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1.12:

- (i) The requirement to include a cash flow statement in the financial statements on the grounds that the company is wholly owned and its ultimate parent company publishes a consolidated cash flow statement. The consolidated group cash flow statement is presented in the financial statements of Platform Specialty Products Corporation, which are publically available (note 24).
- (ii) The requirements of Section 33.7 regarding the disclosure of key management personnel compensation in total

The company has also taken advantage of the exemption granted under Section 33.1A of FRS 102 from the disclosure of related party transactions with other wholly owned members of the group.

Foreign currencies

- (i) The company's functional and presentation currency is the pound sterling.
- (ii) Transactions in foreign currencies are recorded using the spot exchange rate ruling at the date of the transaction.

There were no hedged forward exchange contracts in the year ended 2015 (2014: none).

Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date.

Exchange differences are recognised in the profit or loss in the period in which they arise. The gains or losses are included within 'Other operating income/(expense)'.

Turnover and Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods, net of returns, discounts and rebates allowed by the company and value added taxes.

The company recognises revenue when the significant risks and rewards of ownership are transferred to the buyer.

Government grants

Capital based government grants are included within accruals and deferred income in the balance sheet and credited to operating profit over the estimated useful economic lives of the assets to which they relate.

Research and development

All expenditure on research and development is charged against the profits of the year in which it is incurred.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

3 Summary of significant accounting policies (continued)

Employee benefits

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and a defined contribution pension scheme.

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from the company in individual employee accounts at the pension provider. The amount charged to the statement of comprehensive income represents the company contributions payable to the scheme in respect of the accounting period.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted at the period end.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These 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 recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted at the period end and that are expected to apply to the reversal of the timing difference.

Intangible assets

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life (five years, or over the period which any licenses cover) on a straight line basis.

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.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

3 Summary of significant accounting policies (continued)

Tangible assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price plus any costs directly attributable to bringing the asset to its working condition for its intended use.

- (i) Depreciation is calculated using the straight-line method, to allocate the cost to their residual values over their estimated useful lives, as follows:

Short leasehold - over the remaining life of the lease if shorter than 25 years

Plant and equipment 5 to 10 years

Motor vehicles 3 to 4 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

- (ii) Assets under construction are stated at cost. These assets are not depreciated until they are available for use.
- (iii) Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the statement of comprehensive income.

Leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

Investment in subsidiaries

Investments in subsidiary companies are held at historical cost less accumulated impairment losses.

Inventories

Inventories are stated at cost. Inventories are recognised as an expense in the period in which the related revenue is recognised.

Cost is determined using a standard costing method. Cost includes the purchase price, transport and handling directly attributable to bringing the inventory to its present location and condition. The cost of manufactured finished goods and work in progress includes raw materials, direct labour and other direct costs and related production overheads (based on normal operating capacity).

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the impairment charge is recognised in the statement of comprehensive income. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the statement of comprehensive income.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

3 Summary of significant accounting policies (continued)

Provisions for other liabilities

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

The company recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 1 month. The provision is measured at the salary cost payable for the period of absence.

Financial instruments

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

i) Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost, using the effective interest rate method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying value and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

Financial assets are derecognised 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 the 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.

ii) Financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present values of the future discounted at a market rate of interest.

Such liabilities are subsequently carried at amortised cost, using the effective interest rate method.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities as payments are due within one year or less.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

4 Critical accounting judgements and estimation uncertainty

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.

a) Critical judgements in applying the entity's accounting policies

i) Exemptions on transition to FRS 102

The company has elected to use the previous UK GAAP valuation of certain items of land and buildings as the deemed cost on transition to FRS 102. The items are being depreciated from the date of transition (1 January 2014) in accordance with the Company's accounting policies.

b) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i) Useful economic lives of tangible assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. They are amended when necessary to reflect current estimates, based on technological advancement, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the short leasehold, property plant and equipment, and note 3 (Tangible assets) for the useful economic lives for each class of assets.

ii) Inventory provisioning

The company manufactures and markets high technology specialised coating films and associated chemicals and is subject to changing customer demands and trends. As a result it is necessary to consider the recoverability of the cost of inventory and the associated provisioning required. When calculating the inventory provision, management considers the nature and condition of the inventory, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials. See note 13 for the net carrying amount of the inventory and associated provision.

iii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 14 for the net carrying amount of the debtors and associated impairment provision.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

5 Turnover

The turnover attributable to each of the company's geographical markets is:

	2015	2014
	£000	£000
Europe	19,555	20,931
Rest of the world	17,119	17,600
	36,674	38,531

The directors consider that there is only one class of business and accordingly no operating segments disclosures are made.

6 Operating profit

Operating profit is stated after charging/(crediting):

	2015	2014
	£000	£000
Wages and salaries	8,225	8,414
Social Security costs	926	920
Other pension costs	1,029	1,029
Staff costs	10,180	10,363
Research and development expenditure	1,614	1,711
Inventory recognised as an expense	26,052	26,920
Impairment of inventory (included in 'cost of sales')	(202)	360
Depreciation of owned fixed assets	585	622
Amortisation of intangible assets	29	33
Loss on disposal of tangible assets	1	4
Net gains on foreign currency translation	(247)	(221)
Operating lease charges	994	995
Audit fee payable to the company's auditor	57	55

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

7 Employees and directors

Employees

The monthly average number of persons employed by the company (including directors) during the year was as follows:

By activity	Number of employees	
	2015	2014
Production	176	177
Sales and marketing	32	31
Development	28	32
Administration	19	17
	255	257

Directors' emoluments

	2015	2014
	£000	£000
Emoluments receivable	283	305
Company pension contributions to money purchase schemes	80	76
	363	381

Highest paid director

	2015	2014
	£000	£000
Emoluments receivable	104	104
Company pension contributions to money purchase schemes	37	34
	141	138

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

7 Employees and directors (continued)

Two directors received no remuneration in respect of their services to the company (2014: three). The directors' services to the company are of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to other fellow subsidiary undertakings or the ultimate parent company.

At 31 December 2015, there are no retirement benefits accruing to any directors (2014: none) under defined benefit schemes and there are retirement benefits accruing to three directors (2014: three) under a money purchase scheme.

No directors (2014: none) exercised share options or received shares under long term incentive schemes.

8 Interest receivable and similar income

	2015	2014
	£000	£000
Interest receivable from group undertakings	102	103

9 Tax on profit on ordinary activities

a) Tax expense included in statement of comprehensive income	2015	2014
	£000	£000
Current tax:		
UK corporation tax on profits for the year	696	957
Adjustments in respect of prior years	2	5
Total current tax	698	962
Deferred tax:		
Origination and reversal of timing differences	58	99
Impact of change in tax rate	(3)	-
Adjustments in respect of prior years	(6)	(9)
Total deferred tax	49	90
Tax on profit on ordinary activities	747	1,052

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

9 Tax on profit on ordinary activities (continued)

b) Reconciliation of tax charge

Tax assessed for the year is lower (2014: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2015 of 20.25% (2014: 21.49%). The differences are explained below:

	2015	2014
	£000	£000
Profit on ordinary activities before taxation	4,014	5,256
Profit multiplied by the standard rate of tax in the UK of 20.25% (2014: 21.49%)	813	1,130
Effects of:		
Expenses not deductible for tax purposes	6	10
Research and development tax credit	-	(19)
Re-measurement of deferred tax – change in UK tax rate	(3)	-
Income not subject to tax	(65)	(65)
Adjustments in respect of prior years	(4)	(4)
Tax charge for the year	747	1,052

c) Tax rate changes

A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016 and was substantively enacted on 6 September 2016. The change announced is to reduce the main rate to 17% from 1 April 2020. Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020 had already been substantively enacted on 26 October 2015.

As the change to 17% had not been substantively enacted at the balance sheet date its effects are not included in these financial statements. The overall effect of that change is immaterial to the financial statements.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

10 Intangible assets

	Software £000
Cost	
At 1 January 2015	884
Additions	-
Disposals	(5)
At 31 December 2015	879
Accumulated amortisation	
At 1 January 2015	804
Charge during the year	29
Disposals	(5)
At 31 December 2015	828
Net book value	
At 31 December 2015	51
At 31 December 2014	80

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

11 Tangible assets

	Short leasehold £000	Plant and equipment £000	Motor vehicles £000	Assets under construction £000	Total £000
Cost					
At 1 January 2015	1,060	29,172	45	331	30,608
Additions	-	-	-	365	365
Transfer	-	668	-	(668)	-
Disposals	-	(112)	-	-	(112)
At 31 December 2015	1,060	29,728	45	28	30,861
Accumulated depreciation					
At 1 January 2015	834	26,677	45	-	27,556
Charge during the year	43	542	-	-	585
Disposals	-	(107)	-	-	(107)
At 31 December 2015	877	27,112	45	-	28,034
Net book value					
At 31 December 2015	183	2,616	-	28	2,827
At 31 December 2014	226	2,495	-	331	3,052

12 Investments

	£000
Cost	
At 1 January 2015	3,320
At 31 December 2015	3,320

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

12 Investments (continued)

Provisions		£000		
At 1 January 2015		2,420		
Charge during the year		9		
At 31 December 2015		2,429		
Net book value				
At 31 December 2015		891		
At 31 December 2014		900		
Analysed as:	2015	2014		
	£000	£000		
MacDermid Autotype (Asia) Pte Ltd	844	844		
CPS Chemical Products & Services A/S	47	56		
	891	900		
	Country of incorporation	Principal activity	Class of shares	Percentage of shares / membership
MacDermid Autotype (Asia) Pte Ltd	Singapore	Marketing and distribution outlet for MacDermid Autotype products	Ordinary shares of \$1	100%
CPS Chemical Products & Services A/S	Denmark	Dormant	Ordinary 'B' shares of DKr50	100%

The company's subsidiaries are not consolidated as the company and its group are included within the consolidated financial statements of Platform Specialty Products Corporation. MacDermid Autotype (Asia) Pte Ltd and CPS Chemical Products & Services A/S do not have any investments in subsidiaries.

During the year dividends of £320,430 (2014: £301,440) were received from MacDermid Autotype (Asia) Pte Ltd.

Provisions for impairment have been increased in respect of the cessation of activities by CPS Chemical Products & Services A/S.

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

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

13 Inventories

	2015	2014
	£000	£000
Raw materials and consumables	2,430	2,303
Work in progress	1,862	1,954
Finished goods and goods for resale	776	985
	5,068	5,242

There are no material differences between the values of inventories and their replacement values.

Inventories are stated after provisions for impairment of £1,072,065 (2014: £1,274,547).

14 Debtors

	2015	2014
	£000	£000
Amounts falling due within one year:		
Trade debtors	2,613	2,356
Amounts owed by group undertakings	14,174	10,368
Other debtors	53	167
Prepayments and accrued income	735	691
	17,575	13,582

There are no debtors falling due after more than one year.

Trade debtors are stated after provisions for bad debt of £342,040 (2014: £390,417).

Included within amounts owed by group undertakings is a £3,661,536 (2014: £3,661,536) intercompany loan due from Surface Treatments Limited at an interest rate of Bank of England Base plus 2.25% which is repayable at times and in amounts demanded by the company. Security is given by Surface Treatments Limited in the form of a guarantee against assets in the amount of the principal outstanding which amounted to £3,661,536 at 31 December 2015 and 31 December 2014 respectively.

All other amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

15 Creditors: amounts falling due within one year

	2015	2014
	£000	£000
Trade creditors	2,557	2,921
Amounts owed to group undertakings	719	235
Corporation tax	598	886
Other taxation and social security	218	223
Other creditors	7	5
Accruals and deferred income	890	1,135
	4,989	5,405

There are no creditors falling due after more than one year.

Included within amounts owed to group undertakings is a £44,222 (2014: £50,480) intercompany loan due to CPS Chemical Products & Services AVS at an interest rate of Bank of England Base which is repayable at times and in amounts demanded by the lender. There is no security held for this loan.

All other amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

16 Provisions for liabilities

The company had the following provisions during the year:

Deferred taxation

	£000
At 1 January 2015	33
Additions dealt with in statement of comprehensive income	49
At 31 December 2015	82

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

17 Provisions for liabilities (continued)

The provision for deferred tax consists of the following deferred tax liabilities (assets):

	2015	2014
	£000	£000
Difference between accumulated depreciation, amortisation and capital allowances	122	96
Other timing differences	(40)	(63)
Deferred tax provision at end of year	82	33

There are no unused tax losses or unused tax credits.

The net deferred tax liability is not expected to reverse in 2016. This primarily relates to the timing differences on capital allowances.

18 Financial instruments

The company has the following financial instruments:

	Note	2015	2014
		£000	£000
Financial assets that are debt instruments measured at amortised cost			
Trade debtors	14	2,613	2,356
Amounts owed by group undertakings	14	14,174	10,368
Other debtors	14	53	167
		16,840	12,891
Financial liabilities measured at amortised cost			
Trade creditors	15	2,557	2,921
Amounts owed to group undertakings	15	719	235
Other creditors	15	7	5
		3,283	3,161

The company has no interest rate derivative financial instruments (2014: none).

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

19 Pension commitments

The company operates a defined contribution pension scheme for employees. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £1,013,000 (2014: £1,011,000).

Included in pension costs for the year in Note 6 is £16,000 (2014: £18,000) which relates to contributions to overseas pension schemes for non UK employees.

There were no outstanding or prepaid contributions at the end of the financial year (2014: £474).

20 Share capital

Allotted and fully paid

	2015	2015	2014	2014
	Number	£000	Number	£000
Ordinary shares of £1 each	14,314	14	14,314	14

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

21 Contingent liabilities

The company is party to an unlimited intercompany composite guarantee in favour of its bankers, Royal Bank of Scotland Plc. The other participants in the guarantee are all fellow UK subsidiaries of the Platform Speciality Products Corporation group.

22 Capital and other commitments

At 31 December 2015, there were no capital commitments which were contracted for and not paid (2014: £Nil).

The company had the following future minimum lease payments under non-cancellable operating leases for each of the following years:

	2015	2014
	£000	£000
Payments due:		
Not later than one year	961	976
Later than one year and not later than five years	3,789	3,788
Later than five years	5,875	6,818
	10,625	11,582

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

23 Transition to FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014.

There was no effect on profit or total equity as a result of adopting FRS 102.

The following adjustments have arisen which have had no effect on net equity or the statement of comprehensive income but which have affected the presentation of these items on the balance sheet. The main items are:

Computer software, with a net book value of £80,000 at 1 January 2015, has been reclassified from tangible to intangible assets as required under FRS 102. This has no effect on the company's net assets nor on the profit for the year, except that the previous depreciation charge is now described as amortisation.

24 Controlling parties

The company's immediate parent undertaking is Surface Treatments Limited, a company incorporated in the United Kingdom.

The ultimate parent undertaking and controlling party is Platform Specialty Products Corporation, a company incorporated in the United States of America.

The smallest and largest group in which the results of this company are consolidated is that headed by Platform Speciality Products Corporation. Copies of these financial statements are available to the public from the following address:

Platform Specialty Products Corporation
245 Freight Street
Waterbury
Connecticut 06702
USA