

MacDermid Autotype Limited

Annual report and financial statements for the year ended 31 December 2014

Registered number 00192795

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MacDermid Autotype Limited

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MacDermid Autotype Limited

Strategic report for the year ended 31 December 2014

The directors present their Strategic report on the company for the year ended 31 December 2014.

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 2014 sales declined by £600,000 (1.5%) compared to 2013. However that reduction included £1,704,000 (4.4%) from movements in the US Dollar and Euro currency rates against Sterling, leaving underlying constant currency sales growth of £1,104,000 (2.8%). Sales of high performance films for the automotive sector grew, whilst sales in the electronics and screen market were down on the prior year excluding currency movements.

The results of the company show profit on ordinary activities before taxation of £5,256,000 (2013: £3,720,000) for the year and turnover of £38,531,000 (2013: £39,131,000).

Gross margin improved from 30.1% in 2013 to 31.1% in 2014 due to an improved mix of sales, improved product yields in manufacturing and reductions in production costs implemented at the end of 2013.

Dividends received from the company's Asian subsidiary were at a lower level than 2013.

The company's parent group, Platform Specialty Products Corporation, have decided to manage currency risks at the group level and the company is no longer covered by forward foreign currency contracts as other companies in the PSP group have offsetting currency flows that reduce PSP group risk from currency rate movements.

From 1st January 2016 product development, marketing and distribution of the company's products will be 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 will be 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.

	2014	2013
Number of reportable 'lost time' accidents (RIDDOR)	-	1
Number of working days lost due to accidents	8	3
Number of minor injuries	18	25

The company's lost time accident rate was reduced in 2014. The number of minor injury accidents in 2014 was below 2013. Included therein was a decrease in accidents requiring first aid from 7 to 6. 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 2013 and 2014.

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Strategic report (continued) for the year ended 31 December 2014

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

KPIs Financial

	2014	2013
Gross profit as a percentage of sales	31.1%	30.1%
Sales per employee	£148,023	£144,930
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 2014: 365 days (2013: 365))	37	30
Days inventory on hand (Inventory divided by cost of sales multiplied by the number of days in the accounting period)	72	72
Return on capital employed (Profit on ordinary activities after taxation as a percentage of year end net assets).	21.7%	20.3%

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	2014	2013
VOC emissions as a percentage of use	1.7%	1.6%
VOC emissions (tonnes)	14	15
VOC volume abated/recovered (tonnes)	190	196

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.

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Strategic report (continued) for the year ended 31 December 2014

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

KPIs Environmental (continued)

KPIs for Energy usage

	2014	2013
Energy used per square metre of coated film produced (kwh/m ²)	3.60	3.38

The energy use per square metre has risen by 0.22 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 2014 the company succeeded in its aim of sending zero solid waste to landfill.

KPIs for waste and recycling

	2014	2013
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

	2014	2013
Water usage (thousand tonnes)	19.8	21.5

Human capital KPIs

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

	2014	2013
Average days lost to sickness as a percentage of working days	2.73%	3.02%
Annual labour turnover as a percentage of total employees	10.1%	5.3%
Female employees as a percentage of total employees	20.4%	20.8%

Labour turnover increased as a result of cost cutting measures that the company implemented at the end of 2013 to continue improve its efficiency.

Age distribution of employees

	2014	2013
29 years or under	7.2%	7.3%
30 to 39 years	15.6%	17.7%
40 to 49 years	29.8%	32.0%
50 to 59 years	35.8%	31.5%
60 years and above	11.6%	11.5%

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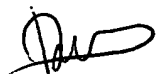
Strategic report (continued) for the year ended 31 December 2014

The future development of the company is 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



D M Curtis
Company Secretary
28 September 2015

MacDermid Autotype Limited

Directors' report for the year ended 31 December 2014

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

Results and dividends

The results of the company for the year ended 31 December 2014 and the state of affairs as at that date are shown in the financial statements contained on pages 11 to 24. 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 2014 (2013: *£nil*).

No interim dividends were paid or declared during the year (2013: *£2.9 million*).

Future developments

Trading conditions are satisfactory in 2015 with profit before tax after 7 months of the year above 90% of the level in the equivalent period last year. The Directors anticipate making satisfactory profits in 2015.

The currency rate on the Euro has weakened, but that has partly been offset by an improvement in the US dollar rate compared to the prior year. The Directors expect to report satisfactory profits for 2015.

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, equity investments, 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.

Market risk

Market risk encompasses three types of risk being currency risk, fair value interest rate risk and price risk. The company's policies for managing fair value 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.

Currency risk

The company is exposed to translation and transaction foreign exchange risk.

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.

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. Platform Specialty Products Corporation, the ultimate parent company of MacDermid Autotype Limited, now manages currency risks on a group wide basis.

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Directors' report (continued) for the year ended 31 December 2014

Financial risk management (continued)

Currency risk (continued)

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 profit and loss account of the company.

Net foreign currency monetary asset				
Functional currency of operations	Euro	US Dollar	Other currencies	Total
	£000	£000	£000	£000
2014				
Sterling	1,090	3,315	53	4,458
	<hr/>	<hr/>	<hr/>	<hr/>
2013				
Sterling	1,145	2,711	51	3,907
	<hr/>	<hr/>	<hr/>	<hr/>

Interest rate risk

The company has interest-bearing assets and liabilities. These include cash balance 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 sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

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 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.

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Directors' report (continued) for the year ended 31 December 2014

Research and development

The company attributes much of its success to the work of its Research & Technical Department. It will continue its ongoing research into both new products and processes, and into the development of existing processes.

The company continues to invest in new product research and development activities, with R&D expenditure in 2014 at 4.4% (2013: 4.3%) of sales revenue. The improved version of our main Film Insert Moulding product launched in mid-2013 is seeing good sales growth in 2015, with improved yields in manufacture and lower energy consumption during manufacture.

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:

D M Curtis
P D Levinsohn (retired 28 February 2014)
JL Cordani
L Phasey (retired 18 December 2014)
R Richards
J W Braham (appointed 1 February 2014)
T N Wright (appointed 1 February 2014)

The directors record their appreciation to Mr Levinsohn for his 22 years of service as an executive director, during which time he led the strategic growth into the electronics and automotive industries that have played a major part in the company's development.

Political and charitable contributions

The company made charitable donations amounting to £725 for the year ended 31 December 2014 (2013: £400). 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.

MacDermid Autotype Limited

Directors' report (continued) for the year ended 31 December 2014

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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

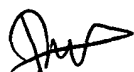
In accordance with Section 418 of the Companies Act 2006, in the case of each director in office at the date the Directors' Report is approved:

- (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 were appointed as statutory auditors to the company during the year.

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



D M Curtis
Company Secretary

Grove Road
Wantage
Oxfordshire
OX12 7BZ

28 September 2015

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 2014 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 comprise:

- the balance sheet as at 31 December 2014;
- the profit and loss account 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 applicable law and United Kingdom Accounting Standards (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.

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 page 8, 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 and financial statements 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
28 September 2015

MacDermid Autotype Limited

Profit and loss account for the year ended 31 December 2014

	Note	2014 £000	2013 £000
Turnover	2	38,531	39,131
Cost of sales		(26,554)	(27,344)
Gross profit		11,977	11,787
Distribution costs		(4,064)	(4,632)
Administrative expenses		(3,367)	(4,223)
Other operating income / (expenses)		306	(246)
Operating profit	3	4,852	2,686
Income from shares in group undertakings		301	933
Interest receivable and similar income	6	103	102
Interest payable and similar charges	7	-	(1)
Profit on ordinary activities before taxation		5,256	3,720
Tax on profit on ordinary activities	9	(1,052)	(647)
Profit for the financial year	17	4,204	3,073

All of the activities of the company in both the current and preceding year are classed as continuing.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the years stated above, and their historical cost equivalents.

The company has no recognised gains or losses in either the current or preceding year other than the results for the year as set out above.

The notes on pages 13 to 24 form part of these financial statements.

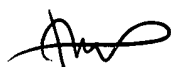
MacDermid Autotype Limited

Balance sheet as at 31 December 2014

	Note	2014 £000	2013 £000
Fixed assets			
Tangible assets	10	3,132	3,059
Investments	11	900	900
		4,032	3,959
Current assets			
Stocks	12	5,242	5,376
Debtors	13	13,582	8,804
Cash at bank and in hand		1,912	1,924
		20,736	16,104
Creditors: amounts falling due within one year	14	(5,405)	(4,937)
Net current assets		15,331	11,167
Total assets less current liabilities		19,363	15,126
Provisions for liabilities	15	(33)	-
Net assets		19,330	15,126
Capital and reserves			
Called up share capital	16	14	14
Share premium account	17	914	914
Profit and loss account	17	18,402	14,198
Total shareholders' funds	18	19,330	15,126

The notes on pages 13 to 24 form part of these financial statements.

These financial statements on pages 11 to 24 were approved by the board of directors on 28 September 2015 and were signed on its behalf by:



D M Curtis
Director



J W Braham
Director

Company number: 00192795

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2014

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements:

Basis of accounting

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 are set out below and have been applied consistently throughout the year.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its ultimate parent company, Platform Specialty Products Corporation, publishes a consolidated cash flow statement. The consolidated group cash flow statement is presented in the financial statements of the ultimate parent company, Platform Specialty Products Corporation, which are publicly available.

Related party transactions

The company is exempt from the requirements of Financial Reporting Standard 8 to disclose transactions with other group undertakings or transactions with investees of the group qualifying as related parties as it is a wholly owned subsidiary and its financial statements are included in the consolidated financial statements of the ultimate parent company and those financial statements are publicly available.

Consolidation

The financial statements contain information about MacDermid Autotype Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 401 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 ultimate parent company which are publicly available (note 24).

Turnover

The company recognises revenue, including freight charged to customers, when products are shipped and the customer takes ownership and assumes risk of loss, collection of the relevant receivable is probable, persuasive evidence that an arrangement exists and the sales price is fixed or determinable. The company's shipping terms are customarily "FOB shipping point" and do not include the right of inspection or acceptance provision.

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.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction, or if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

1 Accounting policies (continued)

Leases

The rental costs of properties and other assets acquired under operating leases are charged to the profit and loss account on a straight line basis over the life of the lease.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Cost includes the original purchase price of the asset and the cost attributed to bringing the asset to its working condition of its intended use. Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Plant and machinery	-	10-33% straight line
Short leasehold	-	4% straight line, or over the remaining life of the lease if shorter than 25 years
Motor vehicles	-	25-33% straight line

Assets under construction are stated at cost and are not depreciated until they are ready for use.

Stocks and work in progress

Stocks are stated at the lower of cost and net realisable value. Cost comprises material at average cost, labour and appropriate overhead expense. In determining the cost, a weighted average cost basis is used. Specific provisions are made as necessary for slow moving and obsolete stock.

Taxation

The tax charge is based on taxable profit for the year. Taxable profit differs from accounting profit as reported in the profit and loss account because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items which are never taxable or deductible. The company's liability for current tax is calculated using average tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided, using the liability method, in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date at rates expected to apply when they crystallise based on current taxes and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Investments

Investments are held at cost less any provision for impairment in value where necessary to reduce book value to recoverable amount. Cost is purchase price, including acquisition expenses, but excluding payment of accrued interest or fixed dividend entitlement. Investment income is recognised on a receivable basis.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from the company in individual employee accounts at the pension provider. The amount charged to the profit and loss account represents the company contributions payable to the scheme in respect of the accounting period.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

2 Turnover

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

	2014 £000	2013 £000
Europe	20,931	19,595
Rest of the world	17,600	19,536
	38,531	39,131

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

3 Operating profit

	2014 £000	2013 £000
Operating profit is stated after charging/(crediting):		
Research and development expenditure	1,711	1,701
Depreciation of owned fixed assets	622	703
Loss on disposal of fixed assets	4	-
Net (gain)/loss on foreign currency translation	(221)	364
Operating lease costs:		
Plant and machinery	49	66
Other	946	946

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

3 Operating profit (continued)

	2014 £000	2013 £000
Services provided by the company's auditors		
Fees payable for the audit of the company	55	55
Fees payable for other services – taxation	-	12

4 Staff numbers and costs

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

	Number of employees	
	2014	2013
Production	177	183
Sales and marketing	31	32
Development	32	34
Administration	17	21
	257	270

The aggregate payroll costs of these persons were as follows:

	2014 £000	2013 £000
Wages and salaries	8,414	8,944
Social security costs	920	999
Other pension costs	1,029	1,010
	10,363	10,953

5 Director's emoluments

	2014 £000	2013 £000
Emoluments receivable	305	247
Company pension contributions to money purchase schemes	76	31
	381	278

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

5 Directors' emoluments (continued)

Highest paid director	2014 £000	2013 £000
Emoluments receivable	104	144
Company pension contributions to money purchase schemes	34	-
	138	144

3 directors received no remuneration in respect of their services to the company (2013: 3). The directors' services to the company are of 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 2014, there are no retirement benefits accruing to any directors (2013: none) under defined benefit schemes and there are retirements benefits accruing to three directors (2013: one) under a money purchase scheme.

No directors (2013: none) exercised share options or received shares under long term incentive schemes.

6 Interest receivable and similar income

	2014 £000	2013 £000
Interest receivable from group undertakings	103	102

7 Interest payable and similar charges

	2014 £000	2013 £000
Interest payable to group undertakings	-	1

8 Dividends

	2014 £000	2013 £000
Equity shares		
Interim dividends paid - £nil per share (2013: £204 per share)	-	2,929

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

9 Tax on profit on ordinary activities

Analysis of charge in year	2014 £000	2013 £000
UK corporation tax:		
Current tax on income for the year	957	584
Adjustments in respect of prior years	5	30
Total current tax	962	614
Deferred tax:		
Origination/reversal of timing differences	99	34
Effect of rate changes	-	14
Adjustments in respect of prior years	(9)	(15)
Total deferred tax	90	33
Tax on profit on ordinary activities	1,052	647

Factors affecting the tax charge for the current year

The current tax charge for the year is lower (2013: lower) than the standard rate of corporation tax in the UK of 21.50% (2013: 23.25%). The differences are explained below:

	2014 £000	2013 £000
Current tax reconciliation		
Profit on ordinary activities before tax	5,256	3,720
Profit on ordinary activities at the standard effective rate of corporation tax of 21.50% (2013: 23.25%)	1,130	865
Effects of:		
Expenses not deductible for tax purposes	17	42
Research and development tax credit	(19)	(65)
Capital allowances in excess of depreciation	(109)	(49)
Other timing differences	3	8
Income not subject to tax	(65)	(217)
Adjustments in respect of prior years	5	30
Total current tax charge (see above)	962	614

The tax charge for the year has been reduced by £886,000 because of group relief claimed.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

9 Tax on profit on ordinary activities (continued)

Factors that may affect future current and total tax charges

Changes to the UK corporation tax rates were announced in the Chancellor's Budget on 8 July 2015. These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020. As the changes had not been substantively enacted at the balance sheet date their effects are not included in these financial statements. The overall effect of these changes, if they had applied to the deferred tax balance at the balance sheet date, would be to reduce the deferred tax liability by an additional £3,285 and reduce the tax expense for the period by £3,285.

10 Tangible fixed assets

	Short leasehold £000	Plant and machinery £000	Motor vehicles £000	Assets under construction £000	Total £000
Cost					
At 1 January 2014	1,060	29,586	45	410	31,101
Additions	-	-	-	712	712
Transfer	-	791	-	(791)	-
Disposals	-	(321)	-	-	(321)
At 31 December 2014	1,060	30,056	45	331	31,492
Accumulated Depreciation					
At 1 January 2014	790	27,207	45	-	28,042
Charge during the year	44	578	-	-	622
Disposals	-	(304)	-	-	(304)
At 31 December 2014	834	27,481	45	-	28,360
Net Book Value					
At 31 December 2014	226	2,575	-	331	3,132
At 31 December 2013	270	2,379	-	410	3,059

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

11 Fixed asset investments

	£000
Cost	
At 1 January 2014	3,320
At 31 December 2014	3,320
Provisions	
At 1 January 2014	2,420
Charge during the year	-
At 31 December 2014	2,420
Net Book Value	
At 31 December 2014	900
At 31 December 2013	900

Company	Shares in subsidiary undertakings at cost £000	Provision for Impairment £000
MacDermid Autotype (Asia) Pte Ltd	844	-
CPS Chemical Products & Services A/S	2,476	(2,420)
At end of year	3,320	(2,420)

The subsidiary undertakings of the company at 31 December 2014 were as follows:

	Country of incorporation	Class of shares	Percentage of shares / membership held
MacDermid Autotype (Asia) Pte Ltd	Singapore	Ordinary shares of \$1	100% ordinary
CPS Chemical Products & Services A/S	Denmark	'B' shares of DKr50	100% ordinary

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 acts as a marketing and distribution outlet for MacDermid Autotype products. CPS manufactured and distributed a range of chemicals to the printing industry until May 2006, when its factory in Denmark was closed and the manufacturing operation was moved to the company's plant in England. During 2015 the old CPS company in Denmark was placed into a solvent voluntary liquidation, as it no longer serves any purpose. That voluntary liquidation is expected to complete in 2015 or early 2016 and is expected to result in assets realised that are similar to the carrying value of the investment.

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 2014 (continued)

12 Stocks

	2014	2013
	£000	£000
Raw materials and consumables	2,303	2,444
Work in progress	1,954	1,692
Finished goods and goods for resale	985	1,240
	5,242	5,376

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

13 Debtors

	2014	2013
	£000	£000
Trade debtors	2,356	2,307
Amounts owed by group undertakings	10,368	5,586
Other debtors	167	192
Deferred tax (note 15)	-	57
Prepayments and accrued income	691	662
	13,582	8,804

The intercompany loan due from Surface Treatments Limited of £3,661,536 (2013: £3,661,536) at an interest rate of LIBOR + 2.25%, is unsecured and is repayable at times and in amounts demanded by the lender. All other amounts owed by group undertakings are not interest bearing, are repayable on demand and are unsecured.

14 Creditors: amounts falling due within one year

	2014	2013
	£000	£000
Trade creditors	2,921	2,573
Amounts owed to group undertakings	235	265
Other taxation and social security	223	253
Corporation tax	886	585
Other creditors	5	23
Accruals and deferred income	1,135	1,238
	5,405	4,937

The intercompany loan due to CPS Chemical Products & Services A/S of £50,480 (2013: £112,071) at an interest rate of LIBOR is repayable at times and in amounts demanded by the lender. All other amounts owed to group undertakings are interest free, are repayable on demand and are unsecured.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

15 Provisions for liabilities

Deferred taxation

The deferred tax included in the balance sheet is as follows:

	2014	2013
	£000	£000
Excess of taxation allowances over depreciation on fixed assets	96	3
Other timing differences	(63)	(60)
Deferred tax provision / (asset)	33	(57)

The movement in the deferred taxation account during the year was:

	£000
At beginning of year	(57)
Debited to profit and loss account for the year (note 9)	90
At end of year	33

16 Called up share capital

	2014	2013
	£000	£000
Allotted and fully paid		
14,314 (2013: 14,314) ordinary shares of £1 each	14	14

17 Reserves

	Share premium account	Profit and loss account
	£000	£000
1 January 2014	914	14,198
Profit for the financial year	-	4,204
31 December 2014	914	18,402

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

18 Reconciliation of movements in shareholders' funds

	2014 £000	2013 £000
Profit for the financial year	4,204	3,073
Dividends	-	(2,929)
Increase in share capital and premium	-	914
Net addition to shareholders' funds	4,204	1,085
Closing shareholders' funds	19,330	15,126

19 Lease commitments

The company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings		Other	
	2014 £000	2013 £000	2014 £000	2013 £000
Operating leases which expire:				
Within one year	-	-	8	1
Within two to five years	-	-	28	54
After five years	943	943	-	-
	943	943	36	55

20 Pension commitments

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £1,011,000 (2013: £992,000). Included in pension costs for the year in note 4 are £18,000 (2013: £18,000) which relate to contribution to overseas pension schemes for non UK employees.

The outstanding contribution due at 31 December 2014 was £474 (2013: £nil).

21 Capital and other commitments

At 31 December 2014, there were capital commitments amounting to £Nil (2013: £Nil) which were contracted for and not paid.

22 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 Specialty Products Corporation group.

The company is also party to a debenture agreement in favour of Barclays Bank Plc. Under the agreement, there are fixed and floating charges in favour of Barclays Bank Plc over the assets of the company. The other participants in the agreement are fellow subsidiaries of the Platform Specialty Products Corporation group.

MacDermid Autotype Limited

Notes to the financial statements for the year ended 31 December 2014 (continued)

23 Related parties

The company is exempt from the requirements of Financial Reporting Standard 8 to disclose transactions with other group undertakings or transactions with investees of the group qualifying as related parties as it is a wholly owned subsidiary and its financial statements are included in the consolidated financial statements of the ultimate parent company and those financial statements are publicly available from the address in note 24.

24 Immediate and ultimate parent undertaking and controlling party

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 United States of America.

The smallest and largest group in which the results of this company are consolidated is that headed by Platform Specialty 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