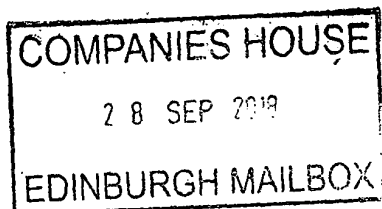


Albany Molecular Research (UK) Limited

**Directors' report and financial
statements**

Registered number 05125002

Year ended 31 December 2017



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Company information

Directors

L M Henderson (Resigned 4th December 2017)
F Ladin (Resigned 4th December 2017)
MB Coppola (Appointed 4th December 2017)
PM Feuerman (Appointed 4th December 2017)
CMD Froggatt (Appointed 30th June 2017)

Auditor

KPMG LLP
319 St Vincent Street
Glasgow
G2 5AS

Banker

Barclays
5 St Ann's Street
Quayside
Newcastle upon Tyne
NE1 3DX

Solicitor

DLA Piper UK LLP
Princes Exchange Princes Square
Leeds
LS1 4BY

Registered Office

First Floor
10 Temple Back
Bristol
BS1 6FL

Strategic report

The directors present their annual strategic report and the audited financial statements for the financial year ended 31 December 2017.

Principal activities

The principal activity of the company during the year was the manufacture and provision of pharmaceutical products and the delivery of development services. The company offers a distinctive mix of technologies, resources and facilities for the process development scale up and manufacture of Active Pharmaceutical Ingredients and advanced intermediates.

Results and dividends

The loss for the year after taxation amounted to £30,656 (2016: Loss £521,512). The directors do not recommend payment of a final ordinary dividend.

Business review

On 2nd March 2018 the sale of the Holywell Site was completed. The business based at Erl Wood, Surrey continued where we have an Insourcing agreement for AMRI chemists working for a major customer.

The accounts have been prepared disclosing the Continuing and Dis-continued businesses of Erl Wood and Holywell respectively.

For the dis-continued activities, business operations ceased in 2015.

The Continuing business at Erl Wood has continued with agreement reached with the customer in April 2017 to extend the insourcing agreement to 31 December 2021.

Key performance indicators

The local management use a number of financial and non-financial indicators to measure the performance of the business. The financial indicators include revenue growth and gross margin. For the year to December 2017 the year on year revenue growth for continuing operations was 3% (2016: 9%). Gross margin for continuing operations was 14.1% (2016: 15.9%).

Principal Risks and Uncertainties

The company operates in an extremely competitive Contract Research Organisation market environment. The key risks and uncertainties identified as facing the business are:

1. Competition from Far East companies that operate within a lower cost base and hence are able to attract business at lower prices. This may be mitigated by implementing cost reduction initiatives and operating to high standards of quality and customer service.

Strategic report (continued)

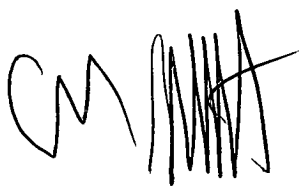
2. The company may be impacted by strategic decisions of large customers and their internal product pipelines. The business is mitigating this by seeking to diversify its portfolio and working with customers in other markets and with later phase/commercial products.

Future Developments

The company continues to work closely with its principal customer based at the Erl Wood site with the relationship having been extended out to 31 December 2021. The Company does not envisage any further developments to the business at this time.

By order of the board,

C Froggatt
Director
First Floor
10 Temple Back
Bristol BS1 6FL

A handwritten signature in black ink, appearing to be 'CM' followed by a series of vertical strokes and a final flourish.

Date: 22 June 2018

Directors' report

The directors present their directors' report and the audited financial statements for the financial year ended 31 December 2017.

Directors

The directors who held office during the year were as follows:

L M Henderson (Resigned 4th December 2017)
F Ladin (Resigned 4th December 2017)
MB Coppola (Appointed 4th December 2017)
PM Feuerman (Appointed 4th December 2017)
CMD Froggatt (Appointed 30th June 2017)

Going concern

Based on the most recent projections and the expectations of on-going financing, the directors have prepared the financial statements on a going concern basis. This is explained further in note 1 to these financial statements.

Political and charitable contributions

During the year, the company made nil charitable and political donations (2016: £nil).

Disclosure of information to the auditor

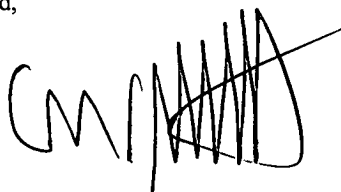
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he/ she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board,

C Froggatt
Director
First Floor
10 Temple Back
Bristol BS1 6FL



Date: 22 June 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



Independent auditor's report to the members of Albany Molecular Research (UK) Limited

Opinion

We have audited the financial statements of Albany Molecular Research (UK) Limited ("the company") for the year ended 31 December 2017 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Independent auditor's report to the members of Albany Molecular Research (UK) Limited *(continued)*

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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

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



Gordon Herbertson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS

28 September 2018

Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2017

		2017			2016		
	Note	Continuing £	Dis- continued £	Total £	Continuing £	Dis- continued £	Total £
Turnover	2	1,842,005	-	1,842,005	1,782,469	112,839	1,895,308
Cost of sales		(1,582,573)	-	(1,582,573)	(1,499,479)	(172,318)	(1,671,797)
Gross profit		259,432	-	259,432	282,990	(59,479)	223,511
Administrative expenses		-	-	-	(286,970)	(307,165)	(594,135)
Operating profit/(loss)	3	259,432	-	259,432	(3,980)	(366,644)	(370,624)
Exceptional item – Impairment		-	(194,640)	(194,640)	-	(137,578)	(137,578)
Exceptional item – Restructuring costs	4	-	(112,953)	(112,953)	-	(19,681)	(19,681)
(Loss)/profit before interest and taxation		259,432	(307,593)	(48,161)	(3,980)	(523,903)	(527,803)
Other interest receivable and similar income	7	17,505	-	17,505	-	11,538	11,538
Interest payable and similar charges	7	-	-	-	-	(5,167)	(5,167)
Profit / (loss) on before taxation		276,937	(307,593)	(30,656)	(3,980)	(517,532)	(521,512)
Tax on profit /(loss)	8	-	-	-	-	-	-
Profit/(loss) for the financial year		276,937	(307,593)	(30,656)	(3,980)	(517,532)	(521,512)
Other comprehensive income							
Total comprehensive income for the year				(30,656)			(521,512)

There was no other comprehensive income in the current or prior financial period, as a result no separate statement of other comprehensive income has been disclosed.

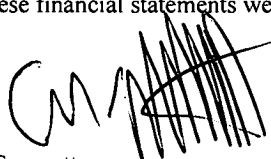
The notes on pages 11 to 18 form part of these financial statements.

Balance Sheet
at 31 December 2017

	<i>Note</i>	31 December 2017 £	31 December 2016 £
Current assets			
Tangible assets	9	735,360	930,000
Debtors	10	1,773,994	848,383
Cash at bank and in hand		482,603	1,417,080
		<hr/>	<hr/>
Creditors: amounts falling due within one year	11	2,991,957 (103,925)	3,195,463 (276,775)
		<hr/>	<hr/>
Net assets		2,888,032	2,918,688
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	12	10,545,000	10,545,000
Capital contribution		6,271,507	6,271,507
Profit and loss account		(13,928,475)	(13,897,819)
		<hr/>	<hr/>
Shareholders' funds		2,888,032	2,918,688
		<hr/>	<hr/>

The notes on pages 11 to 18 form part of the financial statements.

These financial statements were approved by the board of directors on 22/6/18 and were signed on its behalf by:


C Froggatt
Director

Statement of Changes in Equity
At 31 December 2017

	Called up share capital £	Capital contribution £	Profit and loss account £	Total Equity £
Balance at 1 January 2016	10,545,000	6,271,507	(13,376,307)	3,440,200
Total comprehensive income for the period				
Loss for the year	-	-	(521,512)	(521,512)
Other comprehensive income	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the period	-	-	(521,512)	(521,512)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2016	10,545,000	6,271,507	(13,897,819)	2,918,688
	<hr/>	<hr/>	<hr/>	<hr/>

	Called up share capital £	Capital contribution £	Profit and loss account £	Total Equity £
Balance at 1 January 2017	10,545,000	6,271,507	(13,897,819)	2,918,688
Total comprehensive loss for the period				
Loss for the year	-	-	(30,656)	(30,656)
Other comprehensive income	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the period	-	-	(30,656)	(30,656)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2017	10,545,000	6,271,507	(13,928,475)	2,888,032
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 11 to 18 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Albany Molecular Research (UK) Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (“FRS 102”) as issued in August 2014. The presentation currency of these financial statements is sterling.

The financial statements are prepared under the historical cost convention and in accordance with applicable UK accounting standards.

The Company’s ultimate parent undertaking, Albany Molecular Research Inc. includes the Company in its consolidated financial statements. The consolidated financial statements of Albany Molecular Research Inc. are available to the public and may be obtained from 26 Corporate Circle, Albany, NY, USA. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

Basis of preparation

The accounts have been prepared on the going concern basis as the company’s ultimate parent undertaking, Albany Molecular Research Incorporated has undertaken to provide continuing financial support.

The company has a contract with a large pharmaceutical company at their Erl Wood facility which was signed in 2017 until at least 31 December 2021 and will generate revenue and profits through the UK company.

Tangible fixed assets and depreciation

All fixed assets are initially recorded at cost.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset over its expected useful life, as follows:

Freehold property and improvements	-	10 to 40 years, straight line
Plant and machinery	-	5-12 years, straight line

The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. To the extent that invoices are raised in advance of supply, appropriate adjustments are made through deferred income.

Research and development

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project. Amortisation commences when commercial production of products from the related project begins.

Notes *(continued)*

1 Accounting policies *(continued)*

Deferred tax

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

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Deferred taxation assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme and contributes to personal pension arrangements for certain directors. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the schemes.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. 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.

Notes (continued)

2 Analysis of turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties except in respect of contracting activities where turnover represents the value of work carried out during the period including amounts not invoiced. Turnover is wholly attributable to the company's principal continuing activity.

An analysis of turnover by geographical market is given below:

	2017			2016		
	Continuing	Dis-continued	Total £	Continuing	Dis-continued	Total £
By geographical market						
United Kingdom	1,816,867	-	1,816,867	1,782,469	-	1,782,469
Asia/Australasia	-	-	-	-	(6,500)	(6,500)
North America	25,138	-	25,138	-	74,170	74,170
Rest of World	-	-	-	-	45,169	45,169
	<u>1,842,005</u>	<u>-</u>	<u>1,842,005</u>	<u>1,782,469</u>	<u>112,839</u>	<u>1,895,308</u>

3 Operating Profit

This is stated after charging:

	31 December 2017 £	31 December 2016 £
Auditor's remuneration - audit	10,000	30,000
Depreciation of owned tangible assets	-	23,750
Operating lease rentals – plant & machinery	-	33,134
	<u>10,000</u>	<u>86,884</u>

4 Exceptional items

	31 December 2017 £	31 December 2016 £
Exceptional item – Impairment		
Impairment of freehold property (note 9)	194,640	137,578
Exceptional item – Restructuring costs:		
Restructuring costs	112,953	19,681
	<u>307,593</u>	<u>157,259</u>

As part of the announcement to close the Holywell site in April 2015 non-revenue generating costs associated with the closure of the Site were incurred and treated as exceptional. The costs are specific to the closure and the majority of this cost relate to the Holywell site costs.

Notes (continued)

5 Remuneration of directors

The Directors do not receive a remuneration from this company (2016: £nil).

6 Staff numbers and costs

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

	Number of employees			Number of employees		
	Continuing	Dis-continued	2017 Total	Continuing	Dis-continued	2016 Total
Management	-	-	-	-	1	1
Production	34	-	34	34	-	34
	<u>34</u>	<u>-</u>	<u>34</u>	<u>34</u>	<u>1</u>	<u>35</u>

The aggregate payroll costs of these persons were as follows:

	Continuing £	Dis-continued £	2017 Total £	Continuing £	Dis-continued £	2016 Total £
Wages and salaries	1,331,307	-	1,331,307	1,247,170	50,456	1,297,626
Social security costs	124,432	-	124,432	132,842	5,729	138,571
Other pension costs	79,684	-	79,684	79,972	4,198	84,170
	<u>1,535,423</u>	<u>-</u>	<u>1,535,423</u>	<u>1,459,984</u>	<u>60,383</u>	<u>1,520,367</u>

Notes (continued)

7 Interest payable and similar charges

	31 December 2017 £	31 December 2016 £
Other interest receivable and similar income	<u>17,505</u>	<u>11,538</u>
	31 December 2017 £	31 December 2016 £
Interest payable and similar charges	=	<u>(5,167)</u>

8 Taxation

(a) There is no tax charge for the period.

(b) Total tax expense

The tax assessed on the loss on ordinary activities for the period is higher (2016: *higher*) than the standard rate of corporate tax in the UK of 19.25% (2016: 20.00%). The differences are reconciled below:

	31 December 2017 £	31 December 2016 £
<i>Reconciliation of effective tax rate</i>		
Loss on ordinary activities before tax	(30,656)	(521,512)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20.00%).	(5,901)	(104,302)
<i>Effects of:</i>		
Disallowed expenses and non-taxable income	(28,792)	94,044
Deferred tax not provided	1,836	10,258
Losses relieved to other group companies	(32,858)	-
Total tax expense included in profit or loss	-	-

Notes (continued)

8 Taxation (continued)

(c) Factors that may affect future tax charges.

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015 and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 15 September 2016. This will reduce the company's future current tax charge accordingly. The unrecognised deferred tax asset as at 31 December 2017 has been calculated based on those rates.

The unrecognised deferred taxation asset is as follows:

	31 December 2017 £	31 December 2016 £
Tax losses	855,383	918,513
Other timing differences	1,918	2,232
Accelerated capital allowances	151,653	165,448
	<u>1,008,954</u>	<u>1,086,193</u>

9 Tangible fixed assets

	Freehold property £	Plant and machinery £	Total £
Cost			
At 1 January 2017	2,500,000	3,410,482	5,910,482
Disposals	-	-	-
At 31 December 2017	<u>2,500,000</u>	<u>3,410,482</u>	<u>5,910,482</u>
Depreciation			
At 1 January 2017	1,570,000	3,410,482	4,980,482
Impairment adjustment	194,640	-	194,640
At 31 December 2017	<u>1,764,640</u>	<u>3,410,482</u>	<u>5,175,122</u>
Net book value			
At 31 December 2017	<u>735,360</u>	<u>-</u>	<u>735,360</u>
At 31 December 2016	<u>930,000</u>	<u>-</u>	<u>930,000</u>

AMRI has reviewed the carrying value of the land and buildings at the site on Mostyn Road, Holywell and in light of the sale price agreed post year end for this property estimate the current net realisable value at the year-end to be £735,360. An impairment charged has been reflected accordingly

Notes (continued)

10 Debtors

	31 December 2017 £	31 December 2016 £
Trade debtors	291,624	272,887
Amounts owed by group undertakings	1,469,265	546,640
Other debtors	7,585	-
Prepayments and accrued income	5,520	28,856
	<u>1,773,994</u>	<u>848,383</u>

Included within amounts owed by group undertakings is a loan due from Evergreen S.r.l., a company registered in Italy. The loan principal is £1,044,000 and interest accrues at 4.5% p.a.

11 Creditors: amounts falling due within one year

	31 December 2017 £	31 December 2016 £
Amounts payable to group undertakings	4,772	-
Other taxes and social security costs	51,789	57,262
Accruals	47,364	219,513
	<u>103,925</u>	<u>276,775</u>

12 Called up share capital

	31 December 2017 £	31 December 2016 £
<i>Allotted, called up and fully paid</i>		
105,450,000 (2015: 105,450,000) Ordinary shares of £ 0.10 each	10,545,000	10,545,000
	<u>10,545,000</u>	<u>10,545,000</u>

13 Pension commitments

The company operates a defined contribution pension scheme on behalf of certain employees and contributes to their personal pension arrangements. The assets of the schemes are held separately from those of the company in independently administered funds. The company had outstanding liabilities at the 31 December 2017 of £10,597 (2016: £13,132).

Notes *(continued)*

14 Capital commitments

The Company contractual commitments to purchase tangible fixed assets at the year-end were £Nil (2016: £NIL).

15 Related party transactions

The company has taken advantage of the exemption in FRS 102 Chapter 33.1A and has not disclosed transactions with other group companies.

16 Parent undertaking

The company's immediate parent undertaking is Albany Molecular Research Limited, which is incorporated in the United Kingdom. Copies of the financial statements for Albany Molecular Research Limited are available from its registered office: First Floor, 10 Temple Back, Bristol, BS1 6FL.

17 Ultimate parent undertaking and controlling party

The company's ultimate parent undertaking and controlling party is Albany Molecular Research Incorporated, which is incorporated in the United States of America. On 31st August 2017, Albany Molecular Research Incorporated was acquired by affiliates of The Carlyle Group and affiliates of GTCR LLC.

Copies of the financial statements for Albany Molecular Research Incorporated are available from its registered office: 26 Corporate Circle, Albany, NY.