

Registration number: 00054713

Vesuvius UK Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2013

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Vesuvius UK Limited
Company Information

Directors	RM Sykes Y Nokerman M Satterthwaite AJ Harrison HJ Knowles KF Siow
Company Secretary	M Satterthwaite
Registered office	1 Midland Way Barlborough Links Barlborough Derbyshire S43 4XA
Auditor	KPMG LLP 1 The Embankment Leeds West Yorkshire LS1 4DW

Vesuvius UK Limited
Strategic Report for the Year Ended 31 December 2013

The directors present their strategic report for the year ended 31 December 2013.

Principal activity and results

The Company is a wholly-owned subsidiary of Vesuvius plc ("Vesuvius").

The Company's principal activities are the manufacture and sale of refractory products to the iron and steel and foundry industries in the UK, Europe, Africa, Asia and the Americas.

As shown in the Company's profit and loss account on page 8, the Company's turnover has increased slightly to £149,351,000, there was no major contributory factor. The profit after tax has increased by £1,414,000 to a profit after taxation of £7,770,000.

The balance sheet on page 9 of the financial statements shows that the Company's net assets at year - end of £50,425,000 have increased by £7,770,000 this being the reported profit for the year.

Vesuvius invests in research and development activities appropriate to the nature and size of its operations with the aim of supporting the future development of the Company in the medium to long-term future.

Vesuvius manages its operations on a group basis. For this reason, the Company's Directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the group is discussed in the Vesuvius plc Annual Report which does not form part of this Report.

Principal risks and uncertainties

Competitive pressure in Eastern Europe and Asia is a continuing risk for the Company, which could result in it losing sales to its key competitors. To manage this risk, the Company strives to provide added-value products and services to its customers; prompt response times in the supply of products and services and in the handling of customer queries; and through the maintenance of strong relationships with customers.

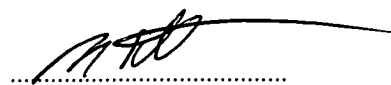
The Company sells products into international markets and it is therefore exposed to currency movements on such sales. Where appropriate, the Company manages this risk with forward foreign exchange contracts in line with Vesuvius treasury policies.

The Company's businesses may be affected by fluctuations in the price and supply of key raw materials, although purchasing policies and practices seek to mitigate, where practicable, such risks.

The Company has no external debt but is however party to a number of loans with other group companies (both receivable and payable).

The Group risks to which Vesuvius plc is exposed are discussed in Vesuvius plc's Annual Report that does not form part of this Report.

Approved by the Board on 18 September 2014 and signed on its behalf by:


.....
M Satterthwaite
Company secretary

Vesuvius UK Limited
Directors' Report for the Year Ended 31 December 2013

The Directors present their report and the financial statements for the year ended 31 December 2013.

Directors of the Company

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

BMHR Massant (resigned 30 April 2013)

BR Elliston (resigned 31 March 2014)

RS Fell (resigned 21 March 2013)

RMH Malthouse (resigned 2 December 2013)

RM Sykes

Y Nokerman

M Satterthwaite (appointed Director 21 March 2013)

AJ Harrison (appointed Director 21 March 2013)

HJ Knowles (appointed Director 2 December 2013)

Dividends

The Directors do not recommend payment of a final dividend (2012: £nil).

Political and charitable donations

During the year the Company made political donations of £nil and charitable donations of £nil.

Employment of disabled persons

Details of the number of employees and related costs can be found in note 5 to the financial statements.

Applications for employment by disabled persons are considered fully, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

The Company participates in Vesuvius policies and practices to keep employees informed on matters relevant to them as employees through appropriate means, such as employee meetings and newsletters.

Research and development

The Company continues its commitment in the area of research and development in terms of both existing product lines and a range of new products on behalf of group companies. Expenditure on research and development during 2013 was £3,892,000 (2012: £3,883,000).

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 auditors are unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.


Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Vesuvius UK Limited
Directors' Report for the Year Ended 31 December 2013

..... *continued*

Approved by the Board on 18 September 2014 and signed on its behalf by:


.....
M Satterthwaite
Company secretary

Vesuvius UK Limited
Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare 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 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.

Independent Auditor's Report to the Members of Vesuvius UK Limited

We have audited the financial statements of Vesuvius UK Limited for the year ended 31 December 2013, set out on pages 8 to 21. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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.

Respective responsibilities of Directors and auditor

As explained more fully in the Statement of Directors' Responsibilities 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. 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

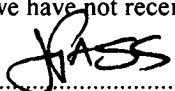
**Independent Auditor's Report to the Members of
Vesuvius UK Limited**

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Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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.


.....
Johnathan Pass (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditors

Chartered Accountants
1 The Embankment
Leeds
West Yorkshire
LS1 4DW

22 September 2014

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Vesuvius UK Limited
Profit and Loss Account for the Year Ended 31 December 2013

	Note	2013 £ 000	2012 £ 000
Turnover	2	149,351	148,716
Cost of sales		<u>(119,979)</u>	<u>(123,025)</u>
Gross profit		29,372	25,691
Distribution costs		(2,662)	(2,775)
Administrative expenses		<u>(17,857)</u>	<u>(15,143)</u>
Operating profit	3	<u>8,853</u>	<u>7,773</u>
Profit on disposal of fixed asset investments	11	-	203
Costs of reorganisation and restructuring		<u>(340)</u>	<u>(836)</u>
Non-operating exceptional items		(340)	(633)
Interest payable and similar charges	7	<u>(614)</u>	<u>(648)</u>
Profit on ordinary activities before taxation		7,899	6,492
Tax on profit on ordinary activities	8	<u>(129)</u>	<u>(136)</u>
Profit for the financial year	18	<u><u>7,770</u></u>	<u><u>6,356</u></u>

All activities relate to continuing operations.

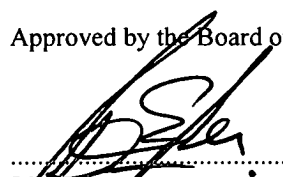
The Company has no recognised gains or losses for the year other than the results above.

The notes on pages 10 to 21 form an integral part of these financial statements.

Vesuvius UK Limited
(Registration number: 00054713)
Balance Sheet at 31 December 2013

	Note	2013 £ 000	2012 £ 000
Fixed assets			
Intangible fixed assets	9	10,666	11,865
Tangible fixed assets	10	6,988	6,969
Investments	11	72	72
		<u>17,726</u>	<u>18,906</u>
Current assets			
Stocks	12	15,819	17,042
Debtors	13	92,810	72,292
Cash at bank and in hand		965	12,177
		<u>109,594</u>	<u>101,511</u>
Creditors: Amounts falling due within one year	14	<u>(71,083)</u>	<u>(71,366)</u>
Net current assets		<u>38,511</u>	<u>30,145</u>
Total assets less current liabilities		56,237	49,051
Creditors: Amounts falling due after more than one year	15	(760)	(246)
Provisions for liabilities	16	<u>(5,052)</u>	<u>(6,150)</u>
Net assets		<u>50,425</u>	<u>42,655</u>
Capital and reserves			
Called up share capital	17	70,000	70,000
Profit and loss account	18	<u>(19,575)</u>	<u>(27,345)</u>
Shareholders' funds	19	<u>50,425</u>	<u>42,655</u>

Approved by the Board on 18 September 2014 and signed on its behalf by:


.....
R.M. Sykes
Director

The notes on pages 10 to 21 form an integral part of these financial statements.

Vesuvius UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements of the Company.

Exemption from preparing a cash flow statement

The Company is exempt from the requirement of FRS 1 (Revised) to prepare a cash flow statement as its cash flows are included within the consolidated cash flow statement of Vesuvius plc.

Exemption from preparing group accounts

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements since the Company is itself a wholly-owned subsidiary of Vesuvius plc. These financial statements present information about the Company as an individual undertaking and not about its group.

Turnover

Turnover comprises the invoiced value, excluding value added tax, of goods and services supplied to customers including fellow subsidiaries.

Goodwill

Purchased goodwill is capitalised and amortised over the useful estimated economic life of 20 years.

Depreciation

Tangible fixed assets are stated at cost, net of depreciation and provision for permanent diminution in value.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Asset class	Depreciation method and rate
Buildings	25 years
Plant and equipment	10-15 years
Commercial vehicles	5 years
Motor cars	4 years

Research and development

All expenditure except that incurred on buildings and plant is charged against income as it is incurred.

Vesuvius UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

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Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Investments in subsidiary undertakings ('subsidiaries') are stated at cost, less any impairment in value.

Stock and work in progress

Stocks are stated at the lower of cost and estimated net realisable value. Cost of work in progress and finished goods includes appropriate overheads.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Foreign currency

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Hire purchase and leasing

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

Vesuvius UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

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Financial instruments

The company uses a variety of derivative financial instruments as part of an overall risk management strategy. These instruments are used as a means of hedging exposure to a price and foreign currency risk connected to anticipated or contracted sales and purchases. The company does not hold or issue derivative financial instruments for trading purposes.

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and

b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds, are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

2 Turnover

During the year 70.4% of the company's turnover related to exports (2012 - 68.65%).

An analysis of turnover by geographical location is given below:

	2013 £ 000	2012 £ 000
Sales - UK	44,210	46,620
Sales - Europe	96,550	92,923
Sales - Rest of world	8,591	9,173
	149,351	148,716

An analysis of turnover by class of business is given below:

	2013 £ 000	2012 £ 000
Business segment 1	149,351	148,716

Vesuvius UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

<u>149,351</u>	<u>148,716</u>
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3 Operating profit

Operating profit is stated after charging:

	2013 £ 000	2012 £ 000
Operating leases - plant and machinery	2,583	2,563
Depreciation of owned assets	1,077	848
Amortisation	1,199	1,200
Auditor's remuneration	<u>35</u>	<u>34</u>

4 Exceptional items

	2013 £ 000	2012 £ 000
(Profit) / loss on sale of fixed assets	-	(203)
Reorganisation or restructuring	<u>340</u>	<u>836</u>
	<u>340</u>	<u>633</u>

5 Particulars of employees

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

	2013 No.	2012 No.
Administration and support	50	48
Production	219	228
Research and development	26	31
Sales, marketing and distribution	<u>87</u>	<u>88</u>
	<u>382</u>	<u>395</u>

The aggregate payroll costs were as follows:

Vesuvius UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

	2013 £ 000	2012 £ 000
Wages and salaries	17,517	16,838
Social security costs	1,524	1,476
Staff pensions	1,678	1,656
	<u>20,719</u>	<u>19,970</u>

6 Directors' remuneration

The directors' remuneration for the year was as follows:

	2013 £ 000	2012 £ 000
Remuneration	261	204
Company contributions paid to money purchase schemes	<u>38</u>	<u>28</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2013 No.	2012 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>1</u>

In respect of the highest paid director:

	2013 £ 000	2012 £ 000
Remuneration	150	146
Company contributions to money purchase pension schemes	29	28
Defined benefit accrued pension entitlement at the end of the period	23	22
Defined benefit accrued lump sum at the end of the period	<u>114</u>	<u>109</u>

7 Interest payable and similar charges

	2013 £ 000	2012 £ 000
Interest on bank borrowings	16	15
Interest payable to group undertakings	327	322
Unwinding of discount in relation to reorganisation provision	<u>271</u>	<u>311</u>
	<u>614</u>	<u>648</u>

Vesuvius UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

8 Taxation

Tax on profit on ordinary activities

	2013 £ 000	2012 £ 000
Current tax on income	129	136
Total tax on profit on ordinary activities	129	136

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2012: lower than) the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%).

The differences are reconciled below:

	2013 £ 000	2012 £ 000
Profit on ordinary activities before taxation	7,899	6,492
Corporation tax at standard rate	1,837	1,591
Capital allowances for period in excess of depreciation	(289)	(451)
Other timing differences	(260)	(361)
Expenses not deductible for tax purposes	324	215
Overseas tax rate difference	129	136
Losses brought forward utilised	(1,612)	(994)
Total current tax	129	136

Factors that may affect future tax charges

The unrecognised deferred tax asset is approximately £4.5m (2012: £6.4m) in respect of operating losses, £1.2m (2012: £1.6m) in respect of other timing differences and £0.8m (2012: £1.2m) for accelerated capital allowances. If circumstances change in the future resulting in the recoverability of the deferred tax asset becoming more certain, the asset will be recognised. This will only be the case if there is persuasive and reliable evidence suggesting that suitable taxable profits will be generated in the future.

From 1 April 2013, the UK corporation tax rate reduced to 23% from 24%. Further corporate tax rate reductions to 21% from 20 April 2014 and 20% from 1 April 2015 were substantively enacted on 2 July 2013.

Vesuvius UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

9 Intangible fixed assets

	Goodwill £ 000
Cost	
At 1 January 2013	23,988
At 31 December 2013	23,988
Amortisation	
At 1 January 2013	12,123
Charge for the year	1,199
At 31 December 2013	13,322
Net book value	
At 31 December 2013	10,666
At 31 December 2012	11,865

10 Tangible fixed assets

	Freehold land and buildings £ 000	Plant and machinery £ 000	Other tangibles £ 000	Total £ 000
Cost or valuation				
At 1 January 2013	1,209	11,478	873	13,560
Additions	-	-	1,096	1,096
Disposals	-	(246)	-	(246)
Reclassification	571	1,082	(1,653)	-
At 31 December 2013	1,780	12,314	316	14,410
Depreciation				
At 1 January 2013	342	6,249	-	6,591
Charge for the year	77	1,000	-	1,077
Eliminated on disposals	-	(246)	-	(246)
At 31 December 2013	419	7,003	-	7,422
Net book value				
At 31 December 2013	1,361	5,311	316	6,988
At 31 December 2012	867	5,229	873	6,969

Vesuvius UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

11 Investments held as fixed assets

	Investments in subsidiary undertakings £ 000
Cost	
At 1 January 2013	63
At 31 December 2013	63
Provision for impairment	
At 31 December 2013	-
Net book value	
At 31 December 2013	63
At 31 December 2012	63

Other investments

	Unlisted investments £	Total £ 000
Cost		
At 1 January 2013	9	9
At 31 December 2013	9	9
Net book value		
At 31 December 2013	9	9
At 31 December 2012	9	9

Details of undertakings

The principal subsidiaries and joint ventures of Vesuvius UK Limited and the countries in which they are incorporated are as follows:

SG Blair & Company Limited

All of the above are wholly- owned, unless otherwise stated.

Vesuvius UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

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12 Stocks

	2013 £ 000	2012 £ 000
Raw materials	5,921	6,106
Work in progress	674	446
Finished goods	9,224	10,490
	<u>15,819</u>	<u>17,042</u>

13 Debtors

	2013 £ 000	2012 £ 000
Trade debtors	16,704	17,813
Amounts owed by group undertakings	72,537	50,067
Prepayments and accrued income	3,569	4,412
	<u>92,810</u>	<u>72,292</u>

14 Creditors: Amounts falling due within one year

	2013 £ 000	2012 £ 000
Trade creditors	10,610	13,484
Bank loans and overdrafts	-	929
Amounts owed to group undertakings	57,008	54,601
Other taxes and social security	486	510
Accruals and deferred income	2,979	1,842
	<u>71,083</u>	<u>71,366</u>

15 Creditors: Amounts falling due after more than one year

	2013 £ 000	2012 £ 000
Accruals and deferred income	<u>760</u>	<u>246</u>

Vesuvius UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

16 Provisions

	Other provision £ 000	Total £ 000
At 1 January 2013	6,150	6,150
Charged to the profit and loss account	340	340
Utilised during the year	(1,709)	(1,709)
Unwinding discounted provision during the year	271	271
	(1,098)	(1,098)
At 31 December 2013	5,052	5,052

The provision includes the following:

- The costs of closing the Head Office at 2 Midland Way, Barlborough Links, Derbyshire;
- The costs of the closure of a production site located at Newmilns, Ayrshire and the withdrawal of Viso and Clay Graphite production in the UK.

17 Share capital

Allotted, called up and fully paid shares

	2013		2012	
	No.	£ 000	No.	£ 000
Ordinary shares of £1 each	70,000,000	70,000	70,000,000	70,000

18 Reserves

	Profit and loss account £ 000	Total £ 000
At 1 January 2013	(27,345)	(27,345)
Profit for the year	7,770	7,770
At 31 December 2013	(19,575)	(19,575)

Vesuvius UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

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19 Reconciliation of movement in shareholders' funds

	2013 £ 000	2012 £ 000
Profit attributable to the members of the Company	7,770	6,356
Net addition to shareholders' funds	7,770	6,356
Shareholders' funds at 1 January	42,655	36,299
Shareholders' funds at 31 December	50,425	42,655

20 Pension schemes

Defined contribution pension scheme

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 £1,678,000 (2012 - £1,656,000).

Defined benefit pension schemes

The Company also participated in the UK defined benefit pension scheme operated by its ultimate parent company ("UK Scheme"). As the company is unable to identify its share of the underlying assets and liabilities of the UK Scheme, it therefore accounts for its membership of the UK Scheme as it would for a defined contribution scheme. The UK Scheme was closed to future accrual following the completion of the required period of consultation with its employees. Contributions due to the UK Scheme since 31 July 2010 are being fully met by Vesuvius plc.

Particulars of the latest actuarial valuation and deficit of the UK Scheme which was carried out by independent qualified actuaries, are included in the accounts of the ultimate parent company, Vesuvius plc, which are available at the address given in note 23.

21 Commitments

Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £117,000 (2012 - £278,000).

Vesuvius UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... *continued*

Operating lease commitments

As at 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2013 £ 000	2012 £ 000
Land and buildings		
Within one year	-	87
Within two and five years	270	270
Over five years	1,370	1,398
	<u>1,640</u>	<u>1,755</u>
Other		
Within one year	190	95
Within two and five years	508	594
	<u>698</u>	<u>689</u>

22 Related party transactions

As the Company is a wholly owned subsidiary of Vesuvius plc, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the Vesuvius plc group.

23 Immediate parent undertaking

The immediate parent undertaking is Vesuvius-Premier Refractories (Holdings) Limited.

The ultimate controlling party is Vesuvius plc, registered in England and Wales, which heads the largest group in which the results of the Company are consolidated. The financial statements of Vesuvius plc are available to the public and may be obtained from the Company Secretary, Vesuvius plc, 165 Fleet Street, London EC4A 2AE.

No other group financial statements include the results of the Company.