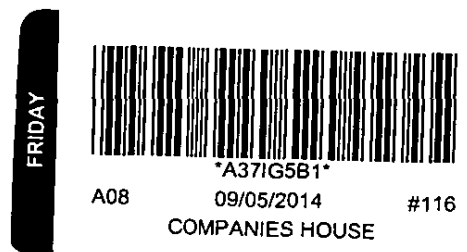


Company Registration No. 01867013

FUERST DAY LAWSON (U.S.A.) LIMITED

Report and Financial Statements

52 week period from 29 December 2012 to 27 December 2013



FUERST DAY LAWSON (U.S.A.) LIMITED

REPORT AND FINANCIAL STATEMENTS

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FUERST DAY LAWSON (U.S.A.) LIMITED

STRATEGIC REPORT

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The Company is a wholly-owned subsidiary within the FDL group (the "Group")

The principal activity of Fuerst Day Lawson (U.S.A.) Ltd (the "Company") is the sale of specialist raw materials. The directors are not aware, at the date of this report, of any likely changes in the Company's activities in the next year.

Revenue for the period decreased by 16% to £17.2m (2012: £20.5m). Profit before tax was £822k (2012: £1,575k).

Overall gross margin decreased by 1.9% as commodity prices generally decreased during the period, creating a competitive market place.

Whilst the economic climate heralds some uncertainty for the future, present indications are that the Company will make further progress during 2014.

The company's results for the period are set out in the profit and loss account on page 6 and related notes and its financial position is set out in the balance sheet on page 7 and related notes.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's operations expose it to a variety of financial risks. A significant risk is movements in foreign currency exchange rates on the principal values of forward commodity contracts. It is the Company policy to fully hedge all such contracts with forward currency contracts to reduce this risk.

It is the Company policy that no speculative trading in financial instruments will be undertaken.

Approved by the Board of Directors
and signed on behalf of the Board



G. N. Humphry-Baker
Secretary
24 April 2014

FUERST DAY LAWSON (U.S.A.) LIMITED

DIRECTORS' REPORT

The directors present their annual report, together with the financial statements and auditor's report, for the 52 week period ended 27 December 2013

RESULTS AND DIVIDENDS

The result for the period after taxation, amounted to £601,415 (period ended 28 Dec 2012 profit - £1,192,542) A dividend of £550 per share was declared and paid on 27 December 2013 (period ended 28 Dec 2012 - £1,150 per share) The retained profit for the period of £51,415 (period ended 28 Dec 2012 - £42,542) has been transferred to reserves

GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out above The financial position of the Company, its cash flows, liquidity position and borrowing facilities are set out in the financial statements

The Company meets its day to day working capital requirements through committed banking facilities The Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook

The Directors have a reasonable expectation that the Company has adequate resources to continue operations for the foreseeable future Accordingly, the going concern basis has been adopted in preparing the annual report and accounts

DIRECTORS

The directors who served throughout the period were as follows

Fox Roy Merchants Limited

J C Duffus & Co (London) Limited

G N Humphry-Baker

DIRECTORS INDEMNITIES

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report

CHANGE OF ACCOUNTING DATE

The Company's accounting reference date is 31 December The directors, however, have taken advantage of the provisions under section 390 of the Companies Act 2006

FUERST DAY LAWSON (U.S.A.) LIMITED

DIRECTORS' REPORT

AUDITOR

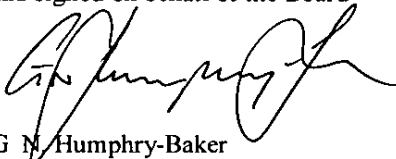
Each person who is a director of the Company at the date when this report was approved confirms that

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware, and
- each of the directors has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006

Deloitte LLP has expressed its willingness to continue in office as auditor

Approved by the Board of Directors
and signed on behalf of the Board



G. M. Humphry-Baker
Secretary
24 April 2014

FUERST DAY LAWSON (U.S.A) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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 and 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, 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 FUERST DAY LAWSON (U.S.A.) LIMITED

We have audited the financial statements of Fuerst Day Lawson (U S A) Limited for the 52 week period from 29 December 2012 to 27 December 2013 which comprises the Profit and Loss Account, the Balance Sheet and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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, 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

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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 27 December 2013 and of its profit for the 52 week period 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.

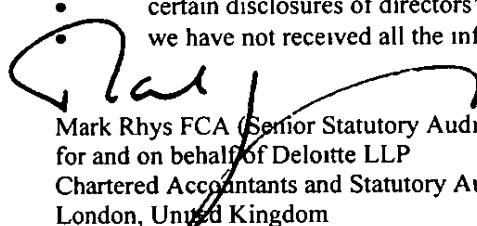
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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.



Mark Rhys FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

24 April 2014

FUERST DAY LAWSON (U.S.A.) LIMITED
Company Registration No. 1867013

PROFIT AND LOSS ACCOUNT
52 week period ended 27 December 2013

	Notes	Period ended 27 Dec 2013 £	Period ended 28 Dec 2012 £
TURNOVER	1, 3	17,162,366	20,540,909
Cost of sales	1	(15,340,424)	(17,964,791)
Gross profit		1,821,942	2,576,118
Operating expenses		(1,000,000)	(1,000,000)
PROFIT ON ORDINARY ACTIVITIES BEFORE FINANCE CHARGES	4	821,942	1,576,118
Net finance charges		(437)	(1,003)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		821,505	1,575,115
Tax charge on profit on ordinary activities	6	(220,090)	(382,573)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	11	601,415	1,192,542
Dividends paid on equity shares	7	(550,000)	(1,150,000)
Retained profit for the period		51,415	42,542

The Company's turnover and operating profit for both the current and prior period all relate to continuing operations. There were no acquisitions or discontinued operations during the current or preceding period.

All recognised gains or losses and all movements in shareholders' funds in both the period ended 27 December 2013 and the period ended 28 December 2012 are reflected in the profit and loss account. Accordingly no statement of total recognised gains and losses is presented in these financial statements.

FUERST DAY LAWSON (U.S.A.) LIMITED
Company Registration No. 1867013

BALANCE SHEET
as at 27 December 2013

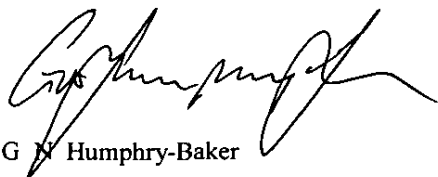
	Notes	At 27 Dec 2013 £	At 28 Dec 2012 £
CURRENT ASSETS			
Stocks	1	2,097,517	4,513,944
Debtors	8	1,286,369	1,711,392
Cash at bank and in hand		58,439	80,131
		<u>3,442,325</u>	<u>6,305,467</u>
CREDITORS amounts falling due within one year	9	<u>(3,065,700)</u>	<u>(5,980,257)</u>
NET CURRENT ASSETS		<u>376,625</u>	<u>325,210</u>
CAPITAL AND RESERVES			
Called up share capital	10	1,000	1,000
Profit and loss account		<u>375,625</u>	<u>324,210</u>
TOTAL SHAREHOLDERS' FUNDS	11	<u>376,625</u>	<u>325,210</u>

These financial statements were approved by the Board of Directors and authorised for issue on the 24th April 2014



M Day Lawson

(Signed for and on behalf of Fox Roy Merchants Limited)



G N Humphry-Baker

FUERST DAY LAWSON (U.S.A.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 27 December 2013

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The particular accounting policies adopted are described below.

Fuerst Day Lawson (U S A) Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is Devon House, 58-60 St Katharine's Way, London, E1W 1JP.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates. Transactions in foreign currencies are included in accordance with the policies set out in the notes below.

Accounting convention

The financial statements are prepared under the historical cost convention and on the going concern basis as disclosed in the Directors' Report.

Turnover

Turnover is the total amount (excluding value added tax) invoiced to customers by the Company and, in the case of sales in which the Company acts as agent of a supplier, the Company's commission earnings. Turnover is recognised in the accounts at the point of delivery and/or when the contract of sale denotes the passing of title.

Cost of sales

Cost of sales is calculated at the point of invoicing the customer using the average cost of stock and includes all costs associated with the contract terms of sale.

Stocks and valuation of forward stock contracts

Stocks are stated at the lower of cost and net realisable value and consist of commodities held for resale. Net realisable value is based on estimated selling price, less further costs expected to be incurred to disposal.

Provision is made where an overall net loss is anticipated on the maturity of forward stock contracts outstanding at the accounting date; overall net profits are not recognised until maturity. Provision is also made for losses on forward contracts outstanding at the accounting date arising in respect of specific defaults by counterparties.

Foreign currency

Transactions denominated in foreign currencies are translated into sterling at either the forward exchange rates contracted at the bank or at the rates ruling at the date of the transactions. Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date or, where relevant, at rates contracted for forward currency contracts. Resulting exchange translation differences are dealt with through the profit and loss account.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

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

FUERST DAY LAWSON (U.S.A.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 27 December 2013

1. ACCOUNTING POLICIES (continued)

Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges are accounted for on an accrual basis in profit or loss account and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

2. CASH FLOW STATEMENT

The Company has taken advantage of an exemption afforded by Financial Reporting Standard 1 Cash Flow Statements, not to prepare a cash flow statement as more than 90% of the voting rights are controlled within the Group and its cash flows are included within the parent company's consolidated financial statements.

3. TURNOVER AND SEGMENTAL ANALYSIS

No segmental analysis of the activities of the Company is given since, in the opinion of the directors, this would be seriously prejudicial to the interests of the Company.

4. PROFIT ON ORDINARY ACTIVITIES BEFORE FINANCE CHARGES

	Period ended 27 Dec 2013 £	Period ended 28 Dec 2012 £
Operating profit is arrived at after charging		
Auditors' remuneration – audit of annual accounts	8,203	8,203

5. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Directors' remuneration

The directors of the Company were not entitled to any remuneration for their services to the Company in 2013 (period ended 28 Dec 2012 – £nil).

	Period ended 27 Dec 2013	Period ended 28 Dec 2012
Average number of persons employed		
Sales and administration	7	6

	Period ended 27 Dec 2013 £	Period ended 28 Dec 2012 £
Staff costs during the period		
Wages and salaries	367,342	391,018
Social security costs	44,790	47,690
Other pension costs	10,516	18,767
	422,648	457,475

FUERST DAY LAWSON (U.S.A.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the 52 week period ended 27 December 2013

6 (A) TAX ON PROFIT ON ORDINARY ACTIVITIES

	Period ended 27 Dec 2013 £	Period ended 28 Dec 2012 £
United Kingdom corporation tax charge at 23.25% (period ended 28 Dec 2012 – 24.5%) based on the profit for the period	190,972	385,795
Adjustments in respect of prior periods	86	(13,444)
	<u>191,058</u>	<u>372,351</u>
Double taxation relief	(73,935)	(141,760)
Total UK Corporation tax charge	<u>117,123</u>	<u>230,591</u>
Foreign tax charge on income for the period	<u>102,967</u>	<u>151,982</u>
Total tax charge on profit on ordinary activities	<u><u>220,090</u></u>	<u><u>382,573</u></u>

6 (B) FACTORS EFFECTING CURRENT TAX CHARGE FOR THE PERIOD

The current tax charge assessed for the period is the standard rate of corporation tax in the UK of 23.25% (period ended 28 Dec 2012 – 24.5%)

The differences are explained below

	Period ended 27 Dec 2013 £	Period ended 28 Dec 2012 £
Profit on ordinary activities before tax	<u>821,505</u>	<u>1,575,115</u>
Tax at 23.25% for the period (period ended 28 Dec 2012 – 24.5%)	190,972	385,795
Adjustment in respect of prior periods	86	(13,444)
Foreign taxation	<u>29,032</u>	<u>10,222</u>
Current tax charge for period	<u><u>220,090</u></u>	<u><u>382,573</u></u>

The UK Government has announced that it will reduce the standard rate of UK corporation tax, which will affect the current and total tax charges or credits in future periods. It is proposed that the rate will decrease in stages from its current rate to 21% from 1 April 2014, reducing further to 20% with effect from 1 April 2015.

7. DIVIDENDS PAID

	Period ended 27 Dec 2013 £	Period ended 28 Dec 2012 £
Dividends paid of £550 per ordinary share (period ended 28 Dec 2012 – £1,150 per ordinary share)	<u>550,000</u>	<u>1,150,000</u>

FUERST DAY LAWSON (U.S.A.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the 52 week period ended 27 December 2013

8. DEBTORS

	At 27 Dec 2013 £	At 28 Dec 2012 £
Trade debtors	1,229,171	1,710,917
Amounts due from fellow subsidiary undertakings	56,563	-
Corporation tax	635	-
Taxation and Social Security	-	475
	<u>1,286,369</u>	<u>1,711,392</u>

9. CREDITORS

	At 27 Dec 2013 £	At 28 Dec 2012 £
Bank loans and overdrafts	-	1,631,644
Trade creditors	46,027	445,992
Corporation tax	-	327,383
Amounts due to parent undertakings	3,019,673	3,575,238
	<u>3,065,700</u>	<u>5,980,257</u>

The Company has granted a fixed and floating charge on its assets to secure bank loans and overdrafts of £nil (2012 - £1,631,644)

10 CALLED UP SHARE CAPITAL

	At 27 Dec 2013 £	At 28 Dec 2012 £
Authorised, allotted, called up and fully paid:		
1,000 Ordinary shares of £1 each (28 Dec 2012 – 1,000 shares of £1 each)	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Period ended 27 Dec 2013 £	Period ended 28 Dec 2012 £
Profit on ordinary activities after tax	601,415	1,192,542
Dividends paid on equity shares	(550,000)	(1,150,000)
Retained profit for the financial period	<u>51,415</u>	<u>42,542</u>
Net addition to shareholders' funds	51,415	42,542
Opening shareholders' funds	325,210	282,668
Closing shareholders' funds	<u>376,625</u>	<u>325,210</u>

FUERST DAY LAWSON (U.S.A.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 52 week period ended 27 December 2013

12 CONTINGENT LIABILITIES

The Company has entered into guarantees securing certain banking facilities of its parent company and a fellow subsidiary. The funds drawn down by other group companies in respect of such facilities amounted to £21,948,163 (at 28 December 2012 £15,397,393)

Other contingent liabilities which arose in the normal course of business comprised

	At 27 Dec 2013	At 28 Dec 2012
	£	£
VAT group election	213,656	54,198

13. RELATED PARTY TRANSACTIONS

The Company has taken advantage of an exemption afforded by Financial Reporting Standard 8 Related Party Disclosures, not to disclose transactions with other wholly-owned group companies

During the period the Company had transactions with related parties which are not other wholly owned group companies. These parties, together with the nature of their relationship with the Company and details of the transactions made with the Company, are as follows

1) Fuerst Day Lawson Limited - a fellow subsidiary undertaking

The aggregate amounts of the Company's transactions with Fuerst Day Lawson Limited in the period were

- Sales of raw material of £nil (period ended 28 Dec 2012 - £nil) at cost price
- Purchases of raw material of £43,080 (period ended 28 Dec 2012 - £382,068) at cost price
- Operating charges, being management charges payable, £1,000,000 (period ended 28 Dec 2012 £1,000,000)

2) Fuerst Day Lawson Inc - a fellow subsidiary undertaking

The aggregate amounts of the Company's transactions with Fuerst Day Lawson Inc in the period were

- Cost of sales, being a management charge payable of £315,459 (period ended 28 Dec 2012 - £216,799) at cost price
- Sales of raw material of £1,187,828 (period ended 28 Dec 2012 - £nil) at cost price plus 5%
- Manufacturing services rendered of £197,826 (period ended 28 Dec 2012 - £170,342)

At the period end the amount due to Fuerst Day Lawson Inc which was included in creditors was £56,563 (period ended 28 Dec 2012 - £nil)

14. PARENT COMPANY

The Company's immediate and ultimate parent company is Fuerst Day Lawson Holdings Limited, a company incorporated in the United Kingdom. The ultimate controlling party is Mr M. Day Lawson

Copies of the Group accounts for Fuerst Day Lawson Holdings Limited which heads the shortest and largest group in which these accounts are consolidated are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ

15. WARRANTIES

The Company has entered into an indemnity agreement with its bankers as at 27 December 2013, in respect of guarantees to US Customs Services of \$70,000 - £42,432 (2012 \$70,000 - £43,360)

FUERST DAY LAWSON (U.S.A.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the 52 week period ended 27 December 2013

16. SUBSEQUENT EVENT

On the 24th February 2014 the Group renewed its existing banking facilities for a further period of 4 years and 3 months