

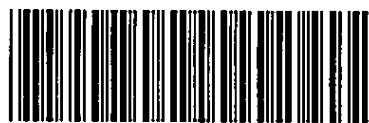
Company Registration No. 04101125

**Kemlite Limited**

**Report and Financial Statements**

**For the year ended 31 December 2009**

WEDNESDAY



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29/09/2010  
COMPANIES HOUSE

**REPORT AND FINANCIAL STATEMENTS 2009**

<b>CONTENTS</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Statement of directors' responsibilities</b>	<b>3</b>
<b>Independent auditors' report</b>	<b>4</b>
<b>Profit and loss account</b>	<b>5</b>
<b>Balance sheet</b>	<b>6</b>
<b>Notes to the accounts</b>	<b>7</b>

**REPORT AND FINANCIAL STATEMENTS 2009**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

E C Fast  
A P Standen  
T J Craney

**SECRETARY**

A P Standen

**REGISTERED OFFICE**

25 Caker Stream Road  
Alton  
Hampshire  
GU34 2QF

**BANKERS**

Natwest Bank plc  
Carlyle House  
Carlyle Road  
Cambridge  
CB4 3DH

**SOLICITORS**

Dutton Gregory  
Trussell House  
23 St Peters Street  
Winchester  
SO23 8BT

**AUDITORS**

Deloitte LLP  
Southampton  
United Kingdom

## **DIRECTORS' REPORT**

The directors present their report and the audited financial statements for the year ended 31 December 2009. The directors' report has been prepared in accordance with the special provisions relating to small companies under Section 417(1) of the Companies Act 2006.

### **PRINCIPAL ACTIVITY**

The principal activity of the company continues to be that of the manufacture of plastic laminates.

### **REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

The results for the year are presented on page 5. The company recorded turnover of £4,001k (2008: £5,439k) for the year end and loss before taxation of £380k (2008: £48k loss). The loss for the year is as a result of the worldwide economic downturn experienced in 2009. An active programme of cost reductions was implemented to minimise the impact of the downturn whilst continuing to develop the Excellence programme that encompasses lean manufacturing and improving customer satisfaction. The directors expect the company to continue to develop and improve its performance in both sales and profitability in the future.

### **GOING CONCERN**

In the opinion of the directors, the Company remains a going concern. Whilst the Company has experienced the impact of the economic downturn in the current year, the directors expect the Company to continue to improve its performance in both sales and profitability in the future.

The Company has also obtained a letter of support from Crane Composites, Inc, its parent company, that provides the Company support to meet its obligations for not less than twelve months from the date of signing of these financial statements on the condition that the Company remains part of the Crane Composites Group and complies with policies and procedures of the Crane Composites Group.

### **DIRECTORS AND THEIR INTERESTS**

The directors, who served throughout the year were as follows:

E C Fast  
A P Standen  
T J Craney

### **AUDITORS**

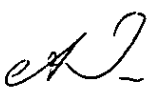
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditors of the company. A resolution for the re-appointment of Deloitte LLP as auditors was accepted at the Annual General Meeting.

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

  
Andrew Standen  
Director  
28/09/2010

## **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 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 judgments and accounting 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 AUDITORS' REPORT TO THE MEMBERS OF KEMLITE LIMITED**

We have audited the financial statements of Kemlite Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 19. 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 auditors' 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 auditors**

As explained more fully in the Directors' Responsibilities Statement, 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 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 (APB'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.

### **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 31 December 2009 and of its loss 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.

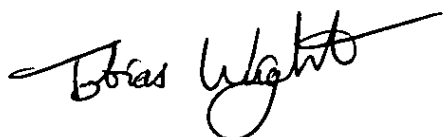
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year 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, 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime.



Tobias Wright (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
Southampton, United Kingdom

28 September 2010

**KEMLITE LIMITED****PROFIT AND LOSS ACCOUNT**  
**For the year ended 31 December 2009**

	<b>Note</b>	<b>2009 £'000</b>	<b>2008 £'000</b>
<b>TURNOVER, continuing operations</b>	2	4,001	5,439
Cost of sales		<u>(3,333)</u>	<u>(4,684)</u>
<b>Gross profit</b>		668	755
Distribution costs		(322)	(193)
Administrative expenses		<u>(726)</u>	<u>(611)</u>
<b>OPERATING LOSS</b>	3	(380)	(49)
Interest receivable and similar income	5	<u>-</u>	<u>1</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(380)	(48)
Tax credit (charge) on loss on ordinary activities	6	<u>246</u>	<u>(11)</u>
<b>RETAINED LOSS FOR THE FINANCIAL YEAR</b>	14	<u><u>(134)</u></u>	<u><u>(59)</u></u>

All amounts derive from continuing operations

There have been no recognised gains and losses attributable to the shareholders other than the retained profit or loss shown above and, accordingly, no statement of total recognised gains and losses nor reconciliation of movements in shareholders' funds is presented

**BALANCE SHEET**  
**31 December 2009**

	Note	2009 £'000	2008 £'000
<b>FIXED ASSETS</b>			
Intangible assets	7	1,274	1,389
Tangible assets	8	307	426
		<u>1,581</u>	<u>1,815</u>
<b>CURRENT ASSETS</b>			
Stocks	9	354	553
Debtors	10	2,290	2,105
Cash at bank and in hand		14	-
		<u>2,658</u>	<u>2,658</u>
<b>CREDITORS: amounts falling due within one year</b>	11	<u>(815)</u>	<u>(889)</u>
<b>NET CURRENT ASSETS</b>		<u>1,843</u>	<u>1,769</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,424</u>	<u>3,584</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	12	<u>(155)</u>	<u>(181)</u>
<b>NET ASSETS</b>		<u>3,269</u>	<u>3,403</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	-	-
Share premium account	14	3,834	3,834
Profit and loss account	14	(565)	(431)
<b>TOTAL SHAREHOLDERS' FUNDS</b>	14	<u>3,269</u>	<u>3,403</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

These financial statements of Kemlite Limited, registered number 04101125, were approved by the board of Directors and authorised for issue on 28-09-2010

Signed on behalf of the Board of Directors



Andrew Standen  
Director

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2009****1 ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the special provisions applicable to companies subject to the small companies regime. As noted in the Directors Report on page 2 the financial statements are prepared on a going concern basis.

**Goodwill and intangible fixed assets**

Purchased goodwill is capitalised in the year in which it arises and amortised over its estimated useful life, up to a maximum of 20 years with a full year's amortisation charge in the first year. The directors regard 20 years as a maximum for the estimated useful life of goodwill since it is difficult to make projections exceeding this period.

Patent costs are valued at cost on acquisition and are amortised in equal annual amounts over their estimated useful economic lives (20 years).

**Tangible fixed assets**

Tangible fixed assets are stated at cost, less depreciation and provision for any impairment.

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Leasehold buildings	4% per annum
Plant and equipment	10-33% per annum

**Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and production overheads appropriate to the relevant stage of production. Net realisable value is based on estimated selling price less all further costs to completion and all relevant marketing, selling and distribution costs.

**Leases**

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term.

**Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

**Deferred taxation**

Current tax, including UK Corporation 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 taxation is provided 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 tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in 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.

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2009**

**1 ACCOUNTING POLICIES (CONTINUED)**

**Pensions**

The company operates a defined contribution pension scheme. The pension cost represents contributions payable by the company during the year, which are charged to the profit and loss account as incurred.

**2 TURNOVER**

Turnover represents amounts derived from the provision of goods and services within one class of business which fall within the company's ordinary activities after deduction of trade discounts and Value Added Tax. Income is recognised as goods are despatched, this is when title passes.

	2009 £'000	2008 £'000
By geographical destination		
United Kingdom and the Republic of Ireland	2,768	3,895
Continental Europe	1,184	1,513
Other	49	31
	<u>4,001</u>	<u>5,439</u>

**3. OPERATING LOSS**

	2009 £'000	2008 £'000
<b>Operating loss is stated after charging/(crediting).</b>		
Depreciation of owned assets	121	123
Amortisation	115	114
Rentals under operating leases		
Land and buildings	174	164
Other operating leases	15	17
Fees payable to the company's auditors for the audit of the company's annual accounts	32	30
Foreign exchange gain	(11)	(95)
	<u>(11)</u>	<u>(95)</u>

**4 INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

	2009 £'000	2008 £'000
<b>Directors' remuneration</b>		
Fees	67	66
Pension contributions	8	7
	<u>75</u>	<u>73</u>

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2009**

**4 INFORMATION REGARDING DIRECTORS AND EMPLOYEES (CONTINUED)**

	<b>2009</b> <b>No</b>	<b>2008</b> <b>No.</b>
Number of directors who are members of defined contribution pension scheme	<u>1</u>	<u>1</u>
<b>Average number of persons employed (including directors)</b>		
Production	10	14
Administration	<u>12</u>	<u>13</u>
	<u>22</u>	<u>27</u>
	<b>2009</b> <b>£'000</b>	<b>2008</b> <b>£'000</b>
<b>Staff costs during the year (including directors)</b>		
Wages and salaries	645	825
Social security costs	72	91
Pension costs	<u>21</u>	<u>28</u>
	<u>738</u>	<u>944</u>

**5. INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>2009</b> <b>£'000</b>	<b>2008</b> <b>£'000</b>
Interest received	<u>-</u>	<u>1</u>

**6 TAX (CREDIT)/CHARGE ON LOSS ON ORDINARY ACTIVITIES**

	<b>2009</b> <b>£'000</b>	<b>2008</b> <b>£'000</b>
<b>Current taxation</b>		
UK corporation tax (credit)/charge for the year	(30)	24
Group relief receivable	(33)	-
Prior year adjustment	<u>(157)</u>	<u>4</u>
Current tax (credit)/charge	(220)	28
<b>Deferred taxation</b>		
Origination and reversal of timing differences (see note 12)	<u>(26)</u>	<u>(17)</u>
Tax (credit)/charge on profit on ordinary activities	<u>(246)</u>	<u>11</u>

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2009**

**6 TAX (CREDIT)/CHARGE ON LOSS ON ORDINARY ACTIVITIES (CONTINUED)**

The tax assessed for the year is lower (2008 lower) than that resulting from applying the standard 28% rate of corporation tax in the UK (2008 28.5%). The differences are explained below

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Loss before tax	(380)	(48)
	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Standard rate tax on loss before tax	(106)	(13)
Less effect of		
Disallowable expenses	1	1
Amortisation	18	19
Depreciation in excess of capital allowances	29	19
Temporary timing differences	(4)	(2)
Effect of change of CT rate	(1)	-
Prior year adjustment	(157)	4
Current tax (credit)/charge for year	<u>(220)</u>	<u>28</u>

**7. INTANGIBLE FIXED ASSETS**

	<b>Patents</b>	<b>Goodwill</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>			
At 1 January 2009 and 31 December 2009	<u>975</u>	<u>1,323</u>	<u>2,298</u>
<b>Accumulated amortisation</b>			
At 1 January 2009	386	523	909
Charge for the year	<u>50</u>	<u>65</u>	<u>115</u>
At 31 December 2009	<u>436</u>	<u>588</u>	<u>1,024</u>
<b>Net book value</b>			
At 31 December 2009	<u>539</u>	<u>735</u>	<u>1,274</u>
At 31 December 2008	<u>589</u>	<u>800</u>	<u>1,389</u>

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2009**

**8. TANGIBLE FIXED ASSETS**

	<b>Leasehold buildings £'000</b>	<b>Plant and equipment £'000</b>	<b>Total £'000</b>
<b>Cost</b>			
At 1 January 2009	10	1,306	1,316
Additions	-	5	5
Disposals	(10)	(51)	(61)
	<hr/>	<hr/>	<hr/>
At 31 December 2009	-	1,260	1,260
	<hr/>	<hr/>	<hr/>
<b>Accumulated depreciation</b>			
At 1 January 2009	10	880	890
Charge for the year	-	121	121
Disposals	(10)	(48)	(58)
	<hr/>	<hr/>	<hr/>
At 31 December 2009	-	953	953
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 December 2009	-	307	307
	<hr/>	<hr/>	<hr/>
At 31 December 2008	-	426	426
	<hr/>	<hr/>	<hr/>

**9. STOCKS**

	<b>2009 £'000</b>	<b>2008 £'000</b>
Raw materials	267	470
Finished goods and goods for resale	87	83
	<hr/>	<hr/>
	354	533
	<hr/>	<hr/>

**10. DEBTORS**

	<b>2009 £'000</b>	<b>2008 £'000</b>
Trade debtors	708	751
Amounts owed by group undertakings	1,481	1,282
Prepayments	79	72
Corporation taxation debtor	22	-
	<hr/>	<hr/>
	2,290	2,105
	<hr/>	<hr/>

All amounts are due within one year

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2009**

**11 CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2009 £'000	2008 £'000
Trade creditors	685	693
Bank overdraft	-	28
Amounts owed to group undertakings	1	41
Other taxes and social security	61	51
Corporation tax	-	18
Accruals and deferred income	56	54
Other creditors	12	4
	<u>815</u>	<u>889</u>

Amounts owed to group undertakings are due within one year or on demand and are interest free

**12. DEFERRED TAXATION**

	£'000
<b>Deferred taxation movement for the year</b>	
Balance as at 1 January 2009	181
Credited to profit and loss account (see note 6)	(26)
	<u>155</u>
Balance at 31 December 2009	

	2009 £'000	2008 £'000
<b>Deferred taxation is analysed as follows:</b>		
Capital allowances in advance of depreciation	158	189
Other timing differences	(3)	(8)
	<u>155</u>	<u>181</u>

**13 SHARE CAPITAL**

	2009 £	2008 £
<b>Authorised</b>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Called up, allotted and fully paid</b>		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2009**

**14 RESERVES**

	Share premium account £'000	Profit and loss account deficit £'000	Total £'000
Balance at 1 January 2009	3,834	(431)	3,403
Loss for the year	-	(134)	(134)
Balance at 31 December 2009	<u>3,834</u>	<u>(565)</u>	<u>3,269</u>

**15 FINANCIAL COMMITMENTS**

At 31 December 2009 the company was committed to making the following annual payments during the next year in respect of operating leases

	2009 Land and buildings £'000	2009 Other £'000	2008 Land and buildings £'000	2008 Other £'000
Leases which expire Within two to five years	<u>174</u>	<u>-</u>	<u>157</u>	<u>10</u>

**16. PENSION SCHEME**

The company operates a defined contribution pension scheme for all employees and contributions are charged to the profit and loss account as they arise. The contributions paid in the year amounted to £21,336 (2008 £27,804). There were £nil outstanding contributions payable at the year end (2008 £nil).

**17 RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemption contained within FRS 8 not to disclose transactions with group companies as it is a 100% subsidiary of Crane Inc, whose consolidated accounts are publicly available.

**18 CASH FLOW STATEMENT**

The company has taken advantage of the exemption contained with FRS 1 not to prepare a cash flow as it is a 100% subsidiary of Crane Inc, whose consolidated financial statements are publicly available.

**19 ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

The ultimate parent company and controlling party, which heads the smallest and largest group for which consolidated accounts are produced, is Crane Co Inc, which is incorporated in the USA. Copies of the consolidated financial statements of the ultimate parent company can be obtained from Crane Co, Executive offices, 100 First Stamford Place, Stamford, Connecticut, CT 06902, USA.