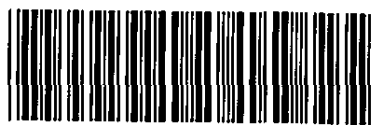


**FORGITAL UK LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2009**

Company Registration Number 06631472

FRIDAY



AXX6FJZ7

A36

14/05/2010

279

COMPANIES HOUSE

FORGITAL UK LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

CONTENTS	PAGE
Officers and professional advisers	1
Report of the directors	2
Independent auditors' report to the shareholders	4
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8
The following pages do not form part of the financial statements	
Detailed profit and loss account	13
Notes to the detailed profit and loss account	14

FORGITAL UK LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

J C Chamier
R Spezzapria

Company secretary

DLC Company Services Ltd

Registered office

Davenport Lyons
30 Old Burlington Street
London
W1S3NL

Auditors

F W Smith, Riches & Co
Chartered Accountants
& Statutory Auditors
18 Pall Mall
London
SW1Y 5LU

FORGITAL UK LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report and the financial statements of the company for the year ended 31 December 2009

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was to market and promote the Forgital products in the UK and to directly serve and support all UK based customers of Forgital Group

DIRECTORS

The directors who served the company during the year were as follows

J C Chainier
R Spezzapria

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 those 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,
- 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

F W Smith, Riches & Co are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

FORGITAL UK LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2009** *(continued)*

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed on behalf of the directors

R Spezzapria
DIRECTOR

Company Registration Number 06631472

11th May 2010

FORGITAL UK LIMITED**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
FOR THE YEAR ENDED 31 DECEMBER 2009**

We have audited the financial statements of Forgital UK Limited for the year ended 31 December 2009 on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 set out on page 2, 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 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 applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS 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.

FORGITAL UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS FOR THE YEAR ENDED 31 DECEMBER 2009 *(continued)*

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 and the directors' report in accordance with the small companies regime



Martin J. Rooney (Senior Statutory Auditor)

For and on behalf of
F W Smith, Riches & Co
Chartered Accountants & Statutory Auditors
18 Pall Mall
London
SW1Y 5LU

11th May 2010

FORGITAL UK LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	2009 £	2008 £
TURNOVER		39,404	339
Cost of sales		<u>55,455</u>	<u>–</u>
GROSS (LOSS)/PROFIT		(16,051)	339
Administrative expenses		<u>279,412</u>	<u>84,449</u>
OPERATING LOSS	2	(295,463)	(84,110)
Interest receivable		<u>1</u>	<u>–</u>
Interest payable and similar charges		<u>(239)</u>	<u>–</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(295,701)	(84,110)
Tax on loss on ordinary activities	3	<u>–</u>	<u>–</u>
LOSS FOR THE FINANCIAL YEAR	10	<u>(295,701)</u>	<u>(84,110)</u>

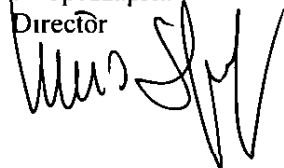
FORGITAL UK LIMITED**BALANCE SHEET
AS AT 31 DECEMBER 2009**

	Note	2009 £	2008 £
FIXED ASSETS			
Tangible assets	4	<u>2,282</u>	<u>1,224</u>
CURRENT ASSETS			
Debtors	5	44,320	18,186
Cash at bank		<u>242,484</u>	<u>112,443</u>
		286,804	130,629
CREDITORS: Amounts falling due within one year	6	<u>68,897</u>	<u>31,029</u>
NET CURRENT ASSETS		<u>217,907</u>	<u>99,600</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>220,189</u>	<u>100,824</u>
CREDITORS: Amounts falling due after more than one year	7	500,000	144,934
		<u>(279,811)</u>	<u>(44,110)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	9	100,000	40,000
Profit and loss account	10	<u>(379,811)</u>	<u>(84,110)</u>
DEFICIT		<u>(279,811)</u>	<u>(44,110)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements on pages 6 to 11 were approved by the directors on 11th May 2010 and were signed on their behalf by

R Spezzapria
Director



FORGITAL UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

1. ACCOUNTING POLICIES**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

The turnover shown in the profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures & Fittings	-	10% straight line
Office equipment	-	Straight line over 3 years

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

FORGITAL UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009****2. OPERATING LOSS**

Operating loss is stated after charging

	2009	2008
	£	£
Depreciation of owned fixed assets	900	97
Auditors' remuneration	4,500	4,500
Net loss on foreign currency translation	<u>3,100</u>	<u>529</u>

3. TAXATION ON ORDINARY ACTIVITIES

The company has losses carried forward for tax purposes of £382,093 (2008 £85,334) on which no deferred tax asset has been recognised

4. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Office Equipment £	Total £
COST			
At 1 January 2009	–	1,321	1,321
Additions	<u>511</u>	<u>1,447</u>	<u>1,958</u>
At 31 December 2009	<u>511</u>	<u>2,768</u>	<u>3,279</u>
DEPRECIATION			
At 1 January 2009	–	97	97
Charge for the year	<u>51</u>	<u>849</u>	<u>900</u>
At 31 December 2009	<u>51</u>	<u>946</u>	<u>997</u>
NET BOOK VALUE			
At 31 December 2009	<u>460</u>	<u>1,822</u>	<u>2,282</u>
At 31 December 2008	<u>–</u>	<u>1,224</u>	<u>1,224</u>

5. DEBTORS

	2009	2008
	£	£
Amounts owed by group undertakings	129	–
VAT recoverable	1,958	488
Other debtors	<u>42,233</u>	<u>17,698</u>
	<u>44,320</u>	<u>18,186</u>

FORGITAL UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009****6. CREDITORS: Amounts falling due within one year**

	2009	2008
	£	£
Trade creditors	3,431	442
Amounts owed to group undertakings	51,882	—
Other taxation and social security	3,272	3,031
Other creditors	10,312	27,556
	<u>68,897</u>	<u>31,029</u>

7. CREDITORS: Amounts falling due after more than one year

	2009	2008
	£	£
Amounts owed to group undertakings	<u>500,000</u>	<u>144,934</u>

8. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2009 the company had aggregate annual commitments under non-cancellable operating leases as set out below

	2009	2008
	£	£
Operating leases which expire		
Within 1 year	<u>24,000</u>	<u>24,000</u>

9. SHARE CAPITAL**Authorised share capital:**

	2009	2008
	£	£
100,000 (2008 - 40,000) Ordinary shares of £1 each	<u>100,000</u>	<u>40,000</u>

Allotted, called up and fully paid:

	2009		2008	
	No	£	No	£
100,000 Ordinary shares (2008 - 40,000) of £1 each	<u>100,000</u>	<u>100,000</u>	<u>40,000</u>	<u>40,000</u>

During the year the company issued 60,000 (2008 40,000) ordinary £1 shares for consideration of £60,000 (2008 £40,000)

FORGITAL UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009****10. PROFIT AND LOSS ACCOUNT**

	2009 £	2008 £
Balance brought forward	(84,110)	–
Loss for the financial year	(295,701)	(84,110)
Balance carried forward	<u>(379,811)</u>	<u>(84,110)</u>

11. ULTIMATE PARENT COMPANY

The company's ultimate parent and controlling party is Forgital SA, a company registered in Luxembourg

12. RELATED PARTY TRANSACTIONS

During the year the company generated sales income and purchased services from related parties as follows

	Sales 2009 £	Sales 2008 £	Purchases 2009 £	Purchases 2008 £
Forgital Italy SPA (a fellow subsidiary, incorporated in Italy)	19,299	339	20,499	–
Forgital FMDL SAS (a fellow subsidiary, incorporated in France)	4,728	–	70,228	–
Forgital Dembiermont SAS (a fellow subsidiary, incorporated in France)	<u>15,377</u>	<u>–</u>	<u>–</u>	<u>–</u>

In addition the company received finance of £400,000 (2008 £144,934) from Forgital SA, a fellow subsidiary incorporated in Italy Interest of £148 (2008 £nil) was charged by Forgital SA

Balances with related parties at the year end were as follows

	Owed by and accrued income 2009 £	Owed by and accrued income 2008 £	Owed to 2009 £	Owed to 2008 £
Forgital Italy SPA	11,661	339	898	–
Forgital FMDL SAS	3,257	–	5,902	–
Forgital Dembiermont SAS	7,215	–	–	–
Forgital SA (Italy)	<u>–</u>	<u>–</u>	<u>545,082</u>	<u>144,934</u>