

Titan Cement UK Limited

**Annual Report and Financial Statements
for the year ended 31 December 2011**

Registered number: 02209994

Titan Cement UK Limited

Independent auditor's report to the members of Titan Cement UK Limited

We have audited the financial statements of Titan Cement UK Limited for the year ended 31 December 2011 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cashflows and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

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 auditors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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.

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 2011 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; 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.

Titan Cement UK Limited

Independent auditor's report to the members of Titan Cement UK Limited

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.



*Richard Frostick (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor*

Hull

Date: 27/4/2012

Titan Cement UK Limited

Registered no: 02209994

Statement of financial position

as at 31 December 2011

	Note	2011 £	2010 £
Assets			
Non-current assets			
Property, plant and equipment	4	133,056	172,032
Investment in subsidiary undertaking	5	2	2
		133,058	172,034
Current assets			
Inventories	7	1,948,676	1,194,792
Trade and other receivables	8	1,502,373	991,979
Cash and cash equivalents	9	1,517,575	1,620,516
		4,968,624	3,807,287
Total assets		5,101,682	3,979,321
Equity and liabilities			
Equity attributable to owners of the parent			
Ordinary shares	10	2,200,000	2,200,000
Retained earnings	11	405,794	23,335
Total equity		2,605,794	2,223,335
Liabilities			
Non-current liabilities			
Deferred income tax liabilities	12	21,548	30,333
Current liabilities			
Trade and other payables	13	2,396,890	1,646,538
Current income tax liabilities		77,450	79,115
		2,474,340	1,725,653
Total liabilities		2,495,888	1,755,986
Total equity and liabilities		5,101,682	3,979,321

The notes on pages 12 to 27 are an integral part of these financial statements.

The financial statements on pages 8 to 27 were authorised for issue by the Board of Directors on 24 April 2012 and were signed on its behalf by:


C Gkikas
Director

Titan Cement UK Limited
Statement of comprehensive income
for the year ended 31 December 2011

	Note	2011 £	2010 £
Revenue	3	8,081,469	9,630,410
Cost of sales	14	(6,498,161)	(7,594,889)
Gross profit		1,583,308	2,035,521
Distribution costs	14	(766,635)	(1,111,117)
Administrative expenses	14	(297,960)	(307,382)
Exceptional administrative expenses	14	-	(250,000)
Operating profit		518,713	367,022
Finance income	17	721	654
Profit before income tax		519,434	367,676
Income tax expense	18	(136,975)	(172,563)
Total comprehensive income		382,459	195,113

All of the activities of the company in 2011 and 2010 relate to continuing operations.

There are no items of other comprehensive income recorded directly in equity.

The notes on pages 12 to 27 are an integral part of these financial statements.

Titan Cement UK Limited
Statement of changes in equity
for the year ended 31 December 2011

	Attributable to owners of the parent		
	Share capital	Retained earnings	Total equity
	£	£	£
Balance as at 1 January 2010	2,200,000	(171,778)	2,028,222
Changes in equity 2010			
Total comprehensive income for the year	-	195,113	195,113
Balance at 31 December 2010	2,200,000	23,335	2,223,335
Changes in equity 2011			
Total comprehensive income for the year	-	382,459	382,459
Balance at 31 December 2011	2,200,000	405,794	2,605,794

The notes on pages 12 to 27 are an integral part of these financial statements.

Titan Cement UK Limited

Statement of cashflows

for the year ended 31 December 2011

	Note	2011 £	2010 £
Cash flows from operating activities			
Cash generated from operations	21	43,763	613,205
Finance income	17	721	654
Income tax paid		(147,425)	(184,761)
Net cash (used in)/generated from operating activities		(102,941)	429,098
Cash flows from investing activities			
Purchase of property, plant & equipment	4	-	(16,246)
Net cash used in investing activities		-	(16,246)
Net (decrease)/increase in cash and cash equivalents		(102,941)	412,852
Cash and cash equivalents at 1 January		1,620,516	1,207,664
Cash and cash equivalents at 31 December	9	1,517,575	1,620,516

The notes on pages 12 to 27 are an integral part of these financial statements.

Titan Cement UK Limited

21 Cash generated from operations

	Note	2011 £	2010 £
Profit before income tax		519,434	367,676
Adjustments for:			
Exceptional item	8	-	250,000
Depreciation	4	38,976	38,098
Finance income	17	(721)	(654)
Changes in working capital:			
Inventories		(753,884)	(7,448)
Trade and other receivables		(510,394)	315,031
Trade and other payables		750,352	(349,498)
Cash generated from operations		43,763	613,205