

FAAC (UK) LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2000

Company Registration Number 1875607 (England and Wales)



FAAC (UK) LIMITED

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FAAC (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2000

The directors present their report and financial statements for the year ended 31 December 2000.

Principal activities and review of the business

The principal activity of the company continued to be that of marketing and distributing electrical operators for doors, gates and barriers.

The directors are pleased to report a satisfactory set of trading results following another year of growth. Results were consistent with expectation with advances in all product sectors.

Results and dividends

The results for the year are set out on page 4.

The directors recommend payment of an ordinary dividend amounting to £300,000.

Future developments

Research and development continues to enhance the traditional core business with many new features and accessories. New products in the sector of sliding doors and commercial access control will create additional opportunities for the company during 2001.

Directors

The following directors have held office since 1 January 2000:

M Manini
V Vivanet

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 December 2000	1 January 2000
M Manini	-	-
V Vivanet	-	-

Mr M Manini has interests in the share capital of the company by virtue of his shareholding in the ultimate parent company, FAAC SpA.

Auditors

The auditors, BKL Weeks Green, have transferred their audit business to Blueprint Audit Limited trading as BKL Blueprint. In accordance with section 26 of the Companies Act 1989, Blueprint Audit Limited trading as BKL Blueprint have been appointed auditors to succeed BKL Weeks Green, and will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

FAAC (UK) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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:

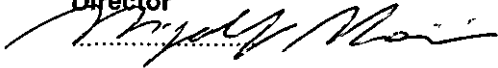
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

On behalf of the board

.....
M Manini

Director



1317101

FAAC (UK) LIMITED

AUDITORS' REPORT TO FAAC (UK) LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 13, together with the financial statements of the company for the year ended 31 December 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 13 are properly prepared in accordance with that provision.

BKL Blueprint.

**BKL Blueprint
Registered Auditor**

BKL Blueprint is a trading name of Blueprint Audit Limited, a Registered Auditor

Date: *20 July 2001*

Clifton House
Bunnian Place
Basingstoke

FAAC (UK) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2000

	Notes	2000 £	1999 £
Gross profit		1,769,824	1,567,529
Distribution costs		(376,416)	(350,293)
Administrative expenses		(591,197)	(556,362)
Operating profit	2	802,211	660,874
Other interest receivable and similar income		33,969	33,212
Interest payable and similar charges	3	(148)	-
Profit on ordinary activities before taxation		836,032	694,086
Tax on profit on ordinary activities	4	(253,659)	(213,045)
Profit on ordinary activities after taxation		582,373	481,041
Dividends	5	(300,000)	(500,000)
Retained profit/(loss) for the year	14	282,373	(18,959)

FAAC (UK) LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 2000

	Notes	2000 £	£	1999 £	£
Fixed assets					
Tangible assets	6		47,160		51,305
Current assets					
Stocks	8	299,777		365,630	
Debtors	9	1,022,968		890,774	
Investments	10	800,000		760,000	
Cash at bank and in hand		143,103		144,558	
		<u>2,265,848</u>		<u>2,160,962</u>	
Creditors: amounts falling due within one year	11	<u>(1,123,447)</u>		<u>(1,305,079)</u>	
Net current assets			<u>1,142,401</u>		<u>855,883</u>
Total assets less current liabilities			<u>1,189,561</u>		<u>907,188</u>
Capital and reserves					
Called up share capital	13	100,000		100,000	
Profit and loss account	14	1,089,561		807,188	
Shareholders' funds	15	<u>1,189,561</u>		<u>907,188</u>	

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 13/1/01.....


M Manini
Director

FAAC (UK) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2000

	2000 £	1999 £
Net cash inflow from operating activities	791,345	821,305
Returns on investments and servicing of finance		
Interest received	33,969	33,212
Interest paid	(148)	-
	<u>33,821</u>	<u>33,212</u>
Net cash inflow for returns on investments and servicing of finance	33,821	33,212
Taxation	(248,512)	(253,218)
Capital expenditure		
Payments to acquire tangible assets	(63,609)	(33,746)
Receipts from sales of tangible assets	25,500	3,170
	<u>(38,109)</u>	<u>(30,576)</u>
Net cash outflow for capital expenditure	(38,109)	(30,576)
Equity dividends paid	(500,000)	(413,950)
	<u>(500,000)</u>	<u>(413,950)</u>
Net cash inflow before management of liquid resources and financing	38,545	156,773
Management of liquid resources		
Current asset investments	(40,000)	(85,000)
	<u>(40,000)</u>	<u>(85,000)</u>
Increase in cash in the year	<u>(1,455)</u>	<u>71,773</u>

FAAC (UK) LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2000

1	Reconciliation of operating profit to net cash inflow from operating activities	2000	1999
		£	£
	Operating profit	802,211	660,874
	Depreciation of tangible assets	41,014	41,592
	(Loss)/profit on disposal of tangible assets	1,240	(3,170)
	(Increase)/decrease in stock	65,853	(45,294)
	Increase in debtors	(132,194)	(133,193)
	Increase in creditors within one year	13,221	300,496
	Net cash inflow from operating activities	791,345	821,305

2	Analysis of net funds	1 January 2000	Cash flow	Other non-cash changes	31 December 2000
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	144,558	(1,455)		143,103
	Liquid resources:				
	Short-term investments	760,000	40,000		800,000
	Net funds	904,558	38,545	-	943,103

3	Reconciliation of net cash flow to movement in net funds	2000	1999
		£	£
	(Decrease)/increase in cash in the year	(1,455)	71,773
	Cash outflow from increase in liquid resources	40,000	85,000
	Movement in net funds in the year	38,545	156,773
	Opening net funds	904,558	747,785
	Closing net funds	943,103	904,558

4	Liquid resources
	Liquid resources comprise term deposits of less than one year with bankers.

FAAC (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption within Financial Reporting Standard No 8 not to disclose details of intra-group trading, on the grounds that it is a wholly owned subsidiary and group accounts are publicly available.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents sales invoiced to customers less credit notes, trade and financial discounts, and is stated excluding Value Added Tax.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant & machinery	25% to 40% Straight line
Fixtures, fittings & equipment	25% to 33% Straight line
Motor vehicles	25% to 33% Straight line

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Investments representing term deposit balances are included at cost.

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

1.8 Pensions

The company makes defined contributions to employee's personal pension plans. The costs charged in the financial statements represent the contributions payable by the company during the year.

1.9 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.10 Foreign currency translation

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

FAAC (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

2	Operating profit	2000	1999
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	41,014	41,592
	Operating lease rentals	45,000	45,000
	Auditors' remuneration	5,000	5,000
	Exchange losses	-	582
	and after crediting:		
	Profit on disposal of fixed assets	(1,240)	3,170
	Exchange gains	(2,696)	-
		<u> </u>	<u> </u>
	The directors received no emoluments from this company.		
3	Interest payable	2000	1999
		£	£
	On overdue tax	148	-
		<u> </u>	<u> </u>
4	Taxation	2000	1999
		£	£
	U.K. current year taxation		
	U.K. corporation tax at 30% (1999 - 30%)	254,310	213,662
	Prior years		
	U.K. corporation tax	(651)	(617)
		<u> </u>	<u> </u>
		<u>253,659</u>	<u>213,045</u>
5	Dividends	2000	1999
		£	£
	Ordinary final proposed of £3 per share (1999 - £5 per share)	300,000	500,000
		<u> </u>	<u> </u>

FAAC (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

6 Tangible fixed assets

	Plant & machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2000	43,545	57,583	72,871	173,999
Additions	-	6,944	56,665	63,609
Disposals	-	(729)	(47,450)	(48,179)
At 31 December 2000	43,545	63,798	82,086	189,429
Depreciation				
At 1 January 2000	30,752	47,372	44,570	122,694
On disposals	-	(729)	(20,710)	(21,439)
Charge for the year	7,433	6,964	26,617	41,014
At 31 December 2000	38,185	53,607	50,477	142,269
Net book value				
At 31 December 2000	5,360	10,191	31,609	47,160
At 31 December 1999	12,793	10,211	28,301	51,305

7 Fixed asset investments

	£
Cost	
At 1 January 2000 & at 31 December 2000	-

Holdings of more than 20%

The company holds more than 20% of the share capital of the following:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Gate Express Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of the above for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
Gate Express Limited	100	-

FAAC (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

8	Stocks	2000	1999
		£	£
	Finished goods and goods for resale	299,777	365,630
		<u> </u>	<u> </u>
9	Debtors	2000	1999
		£	£
	Trade debtors	983,225	845,156
	Prepayments and accrued income	39,743	45,618
		<u> </u>	<u> </u>
		1,022,968	890,774
		<u> </u>	<u> </u>
10	Current asset investments	2000	1999
		£	£
	Term bank deposits	800,000	760,000
		<u> </u>	<u> </u>
11	Creditors: amounts falling due within one year	2000	1999
		£	£
	Trade creditors	45,407	43,165
	Amounts owed to group undertakings	397,673	409,484
	Corporation tax	158,809	153,662
	Other taxes and social security costs	192,391	180,273
	Other creditors	2,608	550
	Accruals and deferred income	26,559	17,945
	Proposed dividend	300,000	500,000
		<u> </u>	<u> </u>
		1,123,447	1,305,079
		<u> </u>	<u> </u>
12	Pension costs		

The company makes defined contributions to employee's personal pension plans. The pension cost charge represents contributions payable by the company in the year and amounted to £18,498 (1999 - £19,205). Prepaid contributions at the year end amounted to £8,023 (1999 - £7,795) and are included in debtors.

FAAC (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

13 Share capital	2000 £	1999 £
Authorised		
100,000 Ordinary shares of £ 1 each	100,000	100,000
Allotted, called up and fully paid		
100,000 Ordinary shares of £ 1 each	100,000	100,000

14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2000	807,188
Retained profit for the year	282,373
Balance at 31 December 2000	1,089,561

15 Reconciliation of movements in shareholders' funds	2000 £	1999 £
Profit for the financial year	582,373	481,041
Dividends	(300,000)	(500,000)
Net addition to/(depletion in) shareholders' funds	282,373	(18,959)
Opening shareholders' funds	907,188	926,147
Closing shareholders' funds	1,189,561	907,188

16 Financial commitments

At 31 December 2000 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2000 £	1999 £	2000 £	1999 £
Expiry date:				
Between two and five years	45,000	45,000	3,960	3,960

FAAC (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

17 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2000 Number	1999 Number
Commercial	6	6
Technical	4	4
Administration	4	4
	<u>14</u>	<u>14</u>

Employment costs

	£	£
Wages and salaries	363,595	354,511
Social security costs	40,567	38,788
Other pension costs	18,498	19,205
	<u>422,660</u>	<u>412,504</u>

18 Control

The directors consider that the ultimate parent company is FAAC SpA., which is registered in Italy, and the immediate parent undertaking is FAAC Overseas Holding S.A., registered in Luxembourg.

The ultimate parent company lodges group accounts with Camera di Commercio Industria Agricoltura e Artigianato, Ufficio imprese, Piazza della Costituzione, 40100 Bologna, Italy.

The ultimate controlling party is Mr M Manini, by virtue of his majority shareholding in FAAC SpA.