

FAAC (UK) LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2001

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 2001

The directors present their report and financial statements for the year ended 31 December 2001.

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.

Future developments

New developments continue to strengthen the company's core product groups. Furthermore, the introduction of new models will create additional opportunities for the company for the year 2002.

Directors

The following directors have held office since 1 January 2001:

M Manini
V Vivanet

Directors' interests

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

	Ordinary shares of £ 1 each	
	31 December 2001	1 January 2001
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. These details are shown in the parent company's accounts.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Blueprint Audit Limited be reappointed as auditors of the company will be put to the Annual General Meeting.

FAAC (UK) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

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



26 April 2002

FAAC (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS 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 2001 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of the directors and auditors

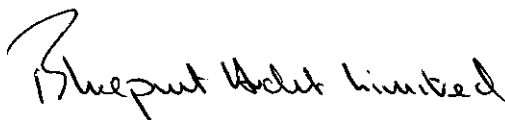
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of 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.



Blueprint Audit Limited
Registered Auditor

Date: 7 May 2002

Clifton House
Bunnian Place
Basingstoke

FAAC (UK) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	2001 £	2000 £
Gross profit		1,893,876	1,769,824
Distribution costs		(353,358)	(376,416)
Administrative expenses		(615,632)	(591,197)
Operating profit	2	924,886	802,211
Other interest receivable and similar income		45,335	33,969
Interest payable and similar charges	3	-	(148)
Profit on ordinary activities before taxation		970,221	836,032
Tax on profit on ordinary activities	4	(297,933)	(253,659)
Profit on ordinary activities after taxation		672,288	582,373
Dividends	5	(650,000)	(300,000)
Retained profit for the year	14	22,288	282,373

FAAC (UK) LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	2001 £	£	2000 £	£
Fixed assets					
Tangible assets	6		58,398		47,160
Current assets					
Stocks	8	349,223		299,777	
Debtors	9	1,058,606		1,022,968	
Investments	10	1,089,784		800,000	
Cash at bank and in hand		247,694		143,103	
		<u>2,745,307</u>		<u>2,265,848</u>	
Creditors: amounts falling due within one year	11	<u>(1,591,856)</u>		<u>(1,123,447)</u>	
Net current assets			<u>1,153,451</u>		<u>1,142,401</u>
Total assets less current liabilities			<u><u>1,211,849</u></u>		<u><u>1,189,561</u></u>
Capital and reserves					
Called up share capital	13	100,000		100,000	
Profit and loss account	14	1,111,849		1,089,561	
Shareholders' funds	15	<u><u>1,211,849</u></u>		<u><u>1,189,561</u></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 26 April 2002


M Manint
Director

FAAC (UK) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2001

	2001 £	2000 £
Net cash inflow from operating activities	975,538	791,345
Returns on investments and servicing of finance		
Interest received	45,335	33,969
Interest paid	-	(148)
	<u>45,335</u>	<u>33,821</u>
Net cash inflow for returns on investments and servicing of finance	45,335	33,821
Taxation	(286,048)	(248,512)
Capital expenditure		
Payments to acquire tangible assets	(46,450)	(63,609)
Receipts from sales of tangible assets	6,000	25,500
	<u>(40,450)</u>	<u>(38,109)</u>
Net cash outflow for capital expenditure	(40,450)	(38,109)
Equity dividends paid	(300,000)	(500,000)
	<u>(300,000)</u>	<u>(500,000)</u>
Net cash inflow before management of liquid resources and financing	394,375	38,545
Management of liquid resources		
Current asset investments	(289,784)	(40,000)
	<u>(289,784)</u>	<u>(40,000)</u>
Increase in cash in the year	<u>104,591</u>	<u>(1,455)</u>

FAAC (UK) LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2001

1	Reconciliation of operating profit to net cash inflow from operating activities	2001	2000		
		£	£		
	Operating profit	924,886	802,211		
	Depreciation of tangible assets	35,212	41,014		
	Profit/(loss) on disposal of tangible assets	(6,000)	1,240		
	(Increase)/decrease in stock	(49,446)	65,853		
	(Increase) in debtors	(35,638)	(132,194)		
	Increase in creditors within one year	106,524	13,221		
	Net cash inflow from operating activities	975,538	791,345		
2	Analysis of net funds	1 January 2001	Cash flow	Other non-cash changes	31 December 2001
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	143,103	104,591	-	247,694
	Liquid resources:				
	Short-term investments	800,000	289,784	-	1,089,784
	Net funds	943,103	394,375	-	1,337,478
3	Reconciliation of net cash flow to movement in net funds	2001	2000		
		£	£		
	Increase/(decrease) in cash in the year	104,591	(1,455)		
	Cash outflow from increase in liquid resources	289,784	40,000		
	Movement in net funds in the year	394,375	38,545		
	Opening net funds	943,103	904,558		
	Closing net funds	1,337,478	943,103		
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 2001

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 2001

2	Operating profit	2001	2000
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	35,212	41,014
	Loss on disposal of fixed assets	-	1,240
	Operating lease rentals	45,000	45,000
	Auditors' remuneration	4,000	5,000
	Exchange losses	5,892	2,696
	and after crediting:		
	Profit on disposal of fixed assets	6,000	-
		<u> </u>	<u> </u>
	The directors received no emoluments from this company.		
3	Interest payable	2001	2000
		£	£
	On overdue tax	-	148
		<u> </u>	<u> </u>
4	Taxation	2001	2000
		£	£
	Domestic current year taxation		
	U.K. corporation tax	297,947	254,310
	Adjustment for prior years	(14)	(651)
		<u> </u>	<u> </u>
		297,933	253,659
		<u> </u>	<u> </u>
5	Dividends	2001	2000
		£	£
	Ordinary final proposed of £6.50 per share (2000 - £3 per share)	650,000	300,000
		<u> </u>	<u> </u>

FAAC (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

6 Tangible fixed assets

	Plant & machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2001	43,545	63,798	82,086	189,429
Additions	-	4,969	41,481	46,450
Disposals	(294)	(2,814)	(39,821)	(42,929)
At 31 December 2001	43,251	65,953	83,746	192,950
Depreciation				
At 1 January 2001	38,185	53,607	50,477	142,269
On disposals	(294)	(2,814)	(39,821)	(42,929)
Charge for the year	3,581	5,701	25,930	35,212
At 31 December 2001	41,472	56,494	36,586	134,552
Net book value				
At 31 December 2001	1,779	9,459	47,160	58,398
At 31 December 2000	5,360	10,191	31,609	47,160

7 Fixed asset investments

	£
Cost	
At 1 January 2001 & at 31 December 2001	-

Holdings of more than 20%

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

Company	Country of registration or incorporation	Shares held Class	%
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	-

Gate Express Limited is dormant.

FAAC (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

8	Stocks	2001	2000
		£	£
	Finished goods and goods for resale	349,223	299,777
		<u> </u>	<u> </u>
9	Debtors	2001	2000
		£	£
	Trade debtors	1,015,140	983,225
	Prepayments and accrued income	43,466	39,743
		<u> </u>	<u> </u>
		1,058,606	1,022,968
		<u> </u>	<u> </u>
10	Current asset investments	2001	2000
		£	£
	Term bank deposits	1,089,784	800,000
		<u> </u>	<u> </u>
11	Creditors: amounts falling due within one year	2001	2000
		£	£
	Trade creditors	108,969	45,407
	Amounts owed to group undertakings	416,831	397,673
	Corporation tax	170,694	158,809
	Other taxes and social security costs	203,857	192,391
	Other creditors	3,201	2,608
	Accruals and deferred income	38,304	26,559
	Proposed dividend	650,000	300,000
		<u> </u>	<u> </u>
		1,591,856	1,123,447
		<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 £19,725 (2000 - £18,498). Prepaid contributions at the year end amounted to £6,951 (2000 - £8,023) and are included in debtors.

FAAC (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

13 Share capital	2001	2000
	£	£
Authorised		
100,000 Ordinary shares of £ 1 each	100,000	100,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
100,000 Ordinary shares of £ 1 each	100,000	100,000
	<u> </u>	<u> </u>
14 Statement of movements on profit and loss account		
		Profit and loss account
		£
Balance at 1 January 2001		1,089,561
Retained profit for the year		22,288
		<u> </u>
Balance at 31 December 2001		1,111,849
		<u> </u>
15 Reconciliation of movements in shareholders' funds	2001	2000
	£	£
Profit for the financial year	672,288	582,373
Dividends	(650,000)	(300,000)
	<u> </u>	<u> </u>
Net addition to shareholders' funds	22,288	282,373
Opening shareholders' funds	1,189,561	907,188
	<u> </u>	<u> </u>
Closing shareholders' funds	1,211,849	1,189,561
	<u> </u>	<u> </u>

16 Financial commitments

At 31 December 2001 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2001	2000	2001	2000
	£	£	£	£
Expiry date:				
Within one year	45,000	-	469	-
Between two and five years	-	45,000	-	3,960
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	45,000	45,000	469	3,960
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

FAAC (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

17 Employees

Number of employees

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

	2001 Number	2000 Number
Commercial	7	7
Technical	3	3
Administration	4	4
	<u>14</u>	<u>14</u>

Employment costs

	£	£
Wages and salaries	379,263	363,595
Social security costs	41,196	40,567
Other pension costs	19,725	18,498
	<u>440,184</u>	<u>422,660</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.