



**FAAC (UK) LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

**Company Registration Number 1875607**

**Tenon Limited**  
Accountants & Business Advisers  
Clifton House  
Bunnian Place  
Basingstoke  
Hampshire

**FAAC (UK) LIMITED**  
**ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2007**

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| <b>CONTENTS</b>                             | <b>PAGES</b> |
|---------------------------------------------|--------------|
| The directors' report                       | 1 to 2       |
| Independent auditor's report to the company | 3            |
| Abbreviated profit and loss account         | 4            |
| Abbreviated balance sheet                   | 5            |
| Notes to the abbreviated accounts           | 6 to 12      |

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**FAAC (UK) LIMITED**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 31 DECEMBER 2007**

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The directors present their report and the financial statements of the company for the year ended 31 December 2007

**Principal activities and business review**

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

The company maintained its record of revenue growth delivering a 4.2% increase in profits before tax

Gate and barrier automation products consolidated their strong market position with the introduction of many new models during the year

With the increased range of automatic door products now offered by the company it engaged a dedicated specialist business development manager during the year to promote this sector of business

Prospects for 2008 are positive and a further year of growth is forecast

**Results and dividends**

The profit for the year, after taxation, amounted to £769,172. Particulars of dividends paid are detailed in note 6 to the financial statements

**Financial risk management objectives and policies**

The company makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company

**Directors**

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

M Manini  
R Fiamengo

A Marcellan was appointed as a director on 10 March 2008  
R Fiamengo resigned as a director on 10 March 2008

**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). The financial statements are required by law to 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 judgements and estimates that are reasonable and prudent

**FAAC (UK) LIMITED**  
**THE DIRECTORS' REPORT** *(continued)*  
**YEAR ENDED 31 DECEMBER 2007**

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- 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 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.

In so far as the directors are, individually, aware:

- there is no relevant audit information of which the company's auditor is 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 auditor is aware of that information.

**Auditor**

A resolution to re-appoint Tenon Audit Limited as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed on behalf of the directors

M Manini  
Director

Approved by the directors on 4/7/08

**FAAC (UK) LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO FAAC (UK) LIMITED**  
**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts set out on pages 4 to 12, together with the financial statements of FAAC (UK) Limited for the year ended 31 December 2007 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the directors and the auditor**

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 abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider 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.

**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 have been properly prepared in accordance with that provision.

*Tenon Audit Limited*

Tenon Audit Limited  
Registered Auditor  
Clifton House  
Bunnian Place  
Basingstoke  
Hampshire

Date - *4 July 2008*

**FAAC (UK) LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2007**

|                                                      | Note | 2007<br>£      | 2006<br>£      |
|------------------------------------------------------|------|----------------|----------------|
| <b>Gross profit</b>                                  |      | 2,471,937      | 2,390,889      |
| Distribution costs                                   |      | (519,249)      | (522,474)      |
| Administrative expenses                              |      | (911,221)      | (859,479)      |
| <b>Operating profit</b>                              | 2    | 1,041,467      | 1,008,936      |
| Interest receivable                                  | 4    | 58,228         | 46,032         |
| <b>Profit on ordinary activities before taxation</b> |      | 1,099,695      | 1,054,968      |
| Tax on profit on ordinary activities                 | 5    | (330,523)      | (335,444)      |
| <b>Profit for the financial year</b>                 |      | <u>769,172</u> | <u>719,524</u> |

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 6 to 12 form part of these abbreviated accounts

**FAAC (UK) LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**31 DECEMBER 2007**

|                                                       | Note | 2007<br>£          | £                | 2006<br>£          | £                |
|-------------------------------------------------------|------|--------------------|------------------|--------------------|------------------|
| <b>Fixed assets</b>                                   |      |                    |                  |                    |                  |
| Tangible assets                                       | 7    |                    | 76,455           |                    | 67,432           |
| Investments                                           | 8    |                    | 1                |                    | 1                |
|                                                       |      |                    | <u>76,456</u>    |                    | <u>67,433</u>    |
| <b>Current assets</b>                                 |      |                    |                  |                    |                  |
| Stocks                                                | 9    | 663,707            |                  | 664,253            |                  |
| Debtors                                               | 10   | 1,445,372          |                  | 1,339,145          |                  |
| Investments                                           | 11   | 951,436            |                  | 1,102,321          |                  |
| Cash at bank and in hand                              |      | 311,179            |                  | 120,881            |                  |
|                                                       |      | <u>3,371,694</u>   |                  | <u>3,226,600</u>   |                  |
| <b>Creditors: Amounts falling due within one year</b> | 12   | <u>(1,551,103)</u> |                  | <u>(1,466,158)</u> |                  |
| <b>Net current assets</b>                             |      |                    | <u>1,820,591</u> |                    | <u>1,760,442</u> |
| <b>Total assets less current liabilities</b>          |      |                    | <u>1,897,047</u> |                    | <u>1,827,875</u> |
| <b>Capital and reserves</b>                           |      |                    |                  |                    |                  |
| Called-up share capital                               | 16   |                    | 100,000          |                    | 100,000          |
| Profit and loss account                               | 17   |                    | 1,797,047        |                    | 1,727,875        |
| <b>Shareholders' funds</b>                            | 18   |                    | <u>1,897,047</u> |                    | <u>1,827,875</u> |

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

These abbreviated accounts were approved by the directors and authorised for issue on 4/1/08, and are signed on their behalf by

M Manini  
Director



The notes on pages 6 to 12 form part of these abbreviated accounts

**FAAC (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2007**

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**1 Accounting policies**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards

**Consolidation**

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts

**Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

**Turnover**

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

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows

|                     |                            |
|---------------------|----------------------------|
| Plant & Machinery   | - 25% to 40% Straight line |
| Fixtures & Fittings | - 25% to 33% Straight line |
| Motor Vehicles      | - 25% to 33% Straight line |

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

**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

**Pension costs**

The company makes pension contributions to certain employees' individual pension contracts. Contributions paid by the company during the year are disclosed within the accounts in accordance with FRS 17

**FAAC (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2007**

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**1 Accounting policies (continued)**

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Investments**

Fixed asset investments are stated at cost less provision for diminution in value. Investments representing term deposit balances are included at cost.

**2 Operating profit**

Operating profit is stated after charging/(crediting)

|                                    | <b>2007</b>    | <b>2006</b>    |
|------------------------------------|----------------|----------------|
|                                    | <b>£</b>       | <b>£</b>       |
| Depreciation of owned fixed assets | 46,060         | 58,492         |
| Profit on disposal of fixed assets | (8,000)        | (2,500)        |
| Audit fees                         | 5,900          | 5,000          |
| Operating lease costs              |                |                |
| -Other                             | 120,874        | 137,250        |
|                                    | <u>120,874</u> | <u>137,250</u> |

**FAAC (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2007**

**3 Particulars of employees**

The average number of staff employed by the company during the financial year amounted to

|                                | 2007      | 2006      |
|--------------------------------|-----------|-----------|
|                                | No        | No        |
| Number of production staff     | 7         | 7         |
| Number of distribution staff   | 10        | 9         |
| Number of administrative staff | 4         | 4         |
| Number of management staff     | 1         | 1         |
|                                | <u>22</u> | <u>21</u> |

The aggregate payroll costs of the above were

|                       | 2007           | 2006           |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Wages and salaries    | 663,306        | 582,113        |
| Social security costs | 73,353         | 66,156         |
| Other pension costs   | 27,369         | 24,726         |
|                       | <u>764,028</u> | <u>672,995</u> |

**4 Interest receivable**

|                          | 2007          | 2006          |
|--------------------------|---------------|---------------|
|                          | £             | £             |
| Bank interest receivable | <u>58,228</u> | <u>46,032</u> |

**5 Taxation on ordinary activities**

(a) Analysis of charge in the year

|                                    | 2007           | 2006           |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| UK Corporation tax                 | 330,523        | 328,344        |
| Over/under provision in prior year | -              | 7,100          |
|                                    | <u>330,523</u> | <u>335,444</u> |

**FAAC (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2007**

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2006 - 30%)

|                                                          | <b>2007</b><br><b>£</b> | <b>2006</b><br><b>£</b> |
|----------------------------------------------------------|-------------------------|-------------------------|
| Profit on ordinary activities before taxation            | <u>1,099,695</u>        | <u>1,054,968</u>        |
| Profit on ordinary activities by rate of tax             | 329,909                 | 316,490                 |
| Effects of                                               |                         |                         |
| Expenses not deductible for tax purposes                 | 3,183                   | 8,408                   |
| Depreciation for period in excess of Capital Allowances  | (1,426)                 | 4,195                   |
| Adjustments to tax charge in respect of previous periods | -                       | 7,100                   |
| Other tax adjustments                                    | (1,143)                 | (749)                   |
| Total current tax (note 5(a))                            | <u>330,523</u>          | <u>335,444</u>          |

**6. Dividends**

**Equity dividends**

|                                                             | <b>2007</b><br><b>£</b> | <b>2006</b><br><b>£</b> |
|-------------------------------------------------------------|-------------------------|-------------------------|
| Paid during the year                                        |                         |                         |
| Equity dividends on ordinary shares                         | <u>700,000</u>          | <u>500,000</u>          |
| Proposed after the year-end (not recognised as a liability) |                         |                         |
| Equity dividends on ordinary shares                         | <u>700,000</u>          | <u>-</u>                |

**7. Tangible fixed assets**

|                       | <b>Plant &amp;<br/>Machinery<br/>£</b> | <b>Fixtures &amp;<br/>Fittings<br/>£</b> | <b>Motor<br/>Vehicles<br/>£</b> | <b>Total<br/>£</b> |
|-----------------------|----------------------------------------|------------------------------------------|---------------------------------|--------------------|
| <b>Cost</b>           |                                        |                                          |                                 |                    |
| At 1 January 2007     | 99,450                                 | 86,422                                   | 108,355                         | 294,227            |
| Additions             | -                                      | 3,111                                    | 51,972                          | 55,083             |
| Disposals             | -                                      | (1,179)                                  | (48,963)                        | (50,142)           |
| At 31 December 2007   | <u>99,450</u>                          | <u>88,354</u>                            | <u>111,364</u>                  | <u>299,168</u>     |
| <b>Depreciation</b>   |                                        |                                          |                                 |                    |
| At 1 January 2007     | 82,226                                 | 80,790                                   | 63,779                          | 226,795            |
| Charge for the year   | 9,412                                  | 4,997                                    | 31,651                          | 46,060             |
| On disposals          | -                                      | (1,179)                                  | (48,963)                        | (50,142)           |
| At 31 December 2007   | <u>91,638</u>                          | <u>84,608</u>                            | <u>46,467</u>                   | <u>222,713</u>     |
| <b>Net book value</b> |                                        |                                          |                                 |                    |
| At 31 December 2007   | <u>7,812</u>                           | <u>3,746</u>                             | <u>64,897</u>                   | <u>76,455</u>      |
| At 31 December 2006   | <u>17,224</u>                          | <u>5,632</u>                             | <u>44,576</u>                   | <u>67,432</u>      |

**FAAC (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2007**

**8. Investments**

|                                        | Shares in<br>group<br>undertakings<br>£ |
|----------------------------------------|-----------------------------------------|
| <b>Cost</b>                            |                                         |
| At 1 January 2007 and 31 December 2007 | <u>1</u>                                |
| <b>Net book value</b>                  |                                         |
| At 31 December 2007                    | <u>1</u>                                |
| At 31 December 2006                    | <u>1</u>                                |
| <b>Company</b>                         | <i>Proportion<br/>held</i>              |
|                                        | <i>Class</i>                            |
| <b>Subsidiary undertakings</b>         |                                         |
| Gate Express Limited                   | Ordinary<br>shares 100%                 |

The subsidiary company is incorporated in England and Wales

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

|                      | Principal<br>activity | Capital and<br>Reserves<br>2007<br>£ | Profit for the<br>year 2007<br>£ |
|----------------------|-----------------------|--------------------------------------|----------------------------------|
| Gate Express Limited | Dormant               | <u>1</u>                             | <u>-</u>                         |

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity

**9 Stocks**

|                | 2007<br>£      | 2006<br>£      |
|----------------|----------------|----------------|
| Finished goods | <u>663,707</u> | <u>664,253</u> |

**10 Debtors**

|                                    | 2007<br>£        | 2006<br>£        |
|------------------------------------|------------------|------------------|
| Trade debtors                      | 1,329,315        | 1,253,967        |
| Amounts owed by group undertakings | 18,157           | -                |
| Prepayments and accrued income     | 97,900           | 85,178           |
|                                    | <u>1,445,372</u> | <u>1,339,145</u> |

**FAAC (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2007**

**11 Investments**

|                     | 2007<br>£      | 2006<br>£        |
|---------------------|----------------|------------------|
| Short term deposits | <u>951,436</u> | <u>1,102,321</u> |

**12 Creditors Amounts falling due within one year**

|                                    | 2007<br>£        | 2006<br>£        |
|------------------------------------|------------------|------------------|
| Trade creditors                    | 113,215          | 98,063           |
| Amounts owed to group undertakings | 902,528          | 837,300          |
| Corporation tax                    | 174,326          | 167,844          |
| PAYE and social security           | 30,366           | 32,910           |
| VAT                                | 293,394          | 279,076          |
| Accruals and deferred income       | 37,274           | 50,965           |
|                                    | <u>1,551,103</u> | <u>1,466,158</u> |

**13 Pensions**

**Defined contribution**

The company makes pension contributions to certain employees' individual pension contracts. The pension cost charge represents contributions payable by the company in accordance with FRS 17. Contributions of £12,506 (2006 £8,802) were outstanding at the year end and included within creditors.

|                                                   | 2007<br>£     | 2006<br>£     |
|---------------------------------------------------|---------------|---------------|
| Contributions payable by the company for the year | <u>27,369</u> | <u>24,726</u> |

**14 Commitments under operating leases**

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as set out below:

|                               | 2007<br>£                   | 2006<br>£      |
|-------------------------------|-----------------------------|----------------|
|                               | <i>Land &amp; buildings</i> |                |
| Operating leases which expire |                             |                |
| Within 2 to 5 years           | 115,000                     | -              |
| After more than 5 years       | -                           | 115,000        |
|                               | <u>115,000</u>              | <u>115,000</u> |

**15 Related party transactions**

The company has taken advantage of the exemption in the Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

**FAAC (UK) LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2007**

**16 Share capital**

**Authorised share capital**

|                                    | <b>2007</b>    | <b>2006</b>    |
|------------------------------------|----------------|----------------|
|                                    | <b>£</b>       | <b>£</b>       |
| 100,000 Ordinary shares of £1 each | <u>100,000</u> | <u>100,000</u> |

**Allotted, called up and fully paid.**

|                            | <b>2007</b>    |                | <b>2006</b>    |                |
|----------------------------|----------------|----------------|----------------|----------------|
|                            | <b>No</b>      | <b>£</b>       | <b>No</b>      | <b>£</b>       |
| Ordinary shares of £1 each | <u>100,000</u> | <u>100,000</u> | <u>100,000</u> | <u>100,000</u> |

**17 Reserves**

|                         | <b>Profit and loss<br/>account<br/>£</b> |
|-------------------------|------------------------------------------|
| Balance brought forward | 1,727,875                                |
| Profit for the year     | 769,172                                  |
| Equity dividends        | <u>(700,000)</u>                         |
| Balance carried forward | <u>1,797,047</u>                         |

**18 Reconciliation of movements in shareholders' funds**

|                                     | <b>2007</b>      | <b>2006</b>      |
|-------------------------------------|------------------|------------------|
|                                     | <b>£</b>         | <b>£</b>         |
| Profit for the financial year       | 769,172          | 719,524          |
| Equity dividends                    | <u>(700,000)</u> | <u>(500,000)</u> |
| Net addition to shareholders' funds | 69,172           | 219,524          |
| Opening shareholders' funds         | <u>1,827,875</u> | <u>1,608,351</u> |
| Closing shareholders' funds         | <u>1,897,047</u> | <u>1,827,875</u> |

**19 Ultimate parent company**

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, Uffizio imprese, Piazza della Costituzione, 40100 Bologna, Italy

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