

Launchfirm Limited

Directors' report and financial statements

Registered number 2567091

31 March 2007



Contents

	<i>Page</i>
Directors' report	1
Statement of directors' responsibilities	2
Independent auditors' report to the members of Launchfirm Limited	3
Profit and loss account	5
Balance sheet	6
Notes	7 - 11

Directors' report

The directors present their annual report and the audited financial statements for the year to 31 March 2007

Principal activities

The principal activity of the company is that of a holding company. Launchfirm Limited is a wholly owned subsidiary of Umeco plc, and the detailed business review can be found on page 22 of Umeco plc's annual report.

Results and dividend

Dividends of £424,971 were declared and paid during the year (2006 £515,000). The profit for the financial year was £424,971 (2006 £515,000), the results for the year are shown in the profit and loss account on page 5.

Directors and directors' interests

The directors who held office during the year, as recorded in the register of directors' interests, were as follows:

CJ Snowdon (Chairman)
RJK Beaumont
AB Moss

The directors who held office at the end of the year had the following interests in the ordinary shares of the parent company, as recorded in the register of directors' share and debenture interests:

	Beneficial interest in shares	Conditional rights to shares	Performance related share options	SAYE Scheme options
AB Moss				
At start of year	18,200	15,435	102,388	2,524
Granted in year	-	18,518	-	-
Vested in year	37,356	(3,488)	(33,868)	-
Lapsed in year	-	-	(26,215)	-
Sold in year	(29,551)	-	-	-
Acquired in year	2,368	-	-	-
At end of year	28,373	30,465	42,305	2,524

The interests of CJ Snowdon and RJK Beaumont in the shares of the ultimate holding company, Umeco plc, are disclosed in the directors' report of that company. No director had any disclosable interest in the shares of the company.

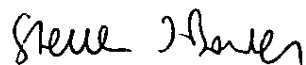
Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



SJ Bowers
Secretary

Concorde House
24 Warwick New Road
Leamington Spa
Warwickshire CV32 5JG
5 June 2007

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc
2 Cornwall Street
Birmingham
B3 2DL

Independent auditors' report to the members of Launchfirm Limited

We have audited the financial statements of Launchfirm Limited for the year ended 31 March 2007 which comprise the Profit and Loss Account, Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent auditors' report to the members of Launchfirm Limited *(continued)*

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

5 June 2007

Profit and loss account
for the year to 31 March 2007

	<i>Note</i>	2007 £	2006 £
Investment income	2	424,971	515,000
Profit on ordinary activities before taxation		424,971	515,000
Taxation on profit on ordinary activities	3	-	-
Profit for the financial year		424,971	515,000

There were no recognised gains or losses other than those disclosed in the profit and loss account

Balance sheet
as at 31 March 2007

	<i>Note</i>	2007		2006	
		£	£	£	£
Fixed assets					
Investments	4		653		653
Current assets					
Debtors	5	527,506		527,506	
		<u>527,506</u>		<u>527,506</u>	
Creditors: amounts falling due within one year	6	<u>(9,933)</u>		<u>(9,933)</u>	
Net current assets			517,573		517,573
Total assets less current liabilities, being net assets			518,226		518,226
Capital and reserves					
Called up share capital	7	100		100	
Profit and loss account	8	518,126		518,126	
Equity shareholders' funds			518,226		518,226

These financial statements were approved by the board of directors on 5 June 2007 and were signed on its behalf by



CJ Snowdon
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. As permitted under s228 of the Companies Act 1985 the company has not prepared group accounts. Accordingly, these accounts present information for the company only.

In accordance with FRS1, a cash flow statement has not been prepared on the grounds that the company is a wholly owned subsidiary of a company which presents a consolidated cash flow statement in its accounts. As the company is a wholly owned subsidiary of Umeco plc, the company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).

Taxation

The charge for tax is based on the profit for the year and takes into account tax deferred because of timing differences between the treatment of certain items for tax and accounting purposes except as otherwise required by FRS19. Liabilities are calculated on a non-discounted full provision basis. Assets are recognised on the same basis, but only to the extent that it is probable they will be recovered.

Investments

Investments are included at cost less any amounts provided against their carrying value for impairment.

Notes *(continued)*

2 Interest receivable and similar income

	2007 £	2006 £
Dividend received from group undertaking	424,971	515,000

3 Taxation

	2007 £	2006 £
Corporation tax on profit on ordinary activities at 30%	-	-

The current tax charge for the year is below the standard rate of UK corporation tax. The reasons for this are as follows:

	2007 £	2006 £
Profit on ordinary activities before taxation	424,971	515,000
Profit on ordinary activities before taxation multiplied by the standard rate of UK corporation tax	127,491	154,500
Effects of non-taxable dividend income	(127,491)	(154,500)
Total current tax charge	-	-

4 Fixed asset investments

	Interest in group undertakings £
<i>Cost</i>	
At beginning and end of year	653

The investment represents a 10% holding of the ordinary share capital of Aerovac Systems Italia S R L.

Notes (continued)

4 Fixed asset investments (continued)

Interest in group undertakings

<i>Name of undertaking</i>	Country of incorporation	Description of shares held	Class and percentage of shares held
Aerovac Systems Limited	England and Wales	Ordinary £1	60%
Aerovac Systems Italy S R L	Italy	Ordinary	10%
Aerovac Systems Limited holds investments in subsidiary undertakings as follows			
Aerovac Systemes France SARL	France	Ordinary	100%
Fluorovac Limited	England and Wales	Ordinary	100%
Aerovac Systems Italy S R L	Italy	Ordinary	90%

The principal activities of all the above undertakings are the manufacture of vacuum tools and the distribution of a range of consumable materials used within the composite bonding industry except Fluorovac Limited which ceased trading on 1 November 1997

5 Debtors

	2007 £	2006 £
Amounts due from group undertakings	<u>527,506</u>	<u>527,506</u>

6 Creditors: amounts falling due within one year

	2007 £	2006 £
Other creditors	9,753	9,753
Accruals	<u>180</u>	<u>180</u>
	<u>9,933</u>	<u>9,933</u>

Notes (continued)

7 Called up share capital

	2007 £	2006 £
<i>Authorised</i>		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

8 Reserves

	2007 £	2006 £
At the beginning of the year	518,126	518,126
Profit for the financial year	424,971	515,000
Dividends	(424,971)	(515,000)
	<u>518,126</u>	<u>518,126</u>
At the end of the year	<u>518,126</u>	<u>518,126</u>

9 Movement in shareholders' funds

	2007 £	2006 £
At the beginning of year	518,226	518,226
Profit for the year	424,971	515,000
Dividends	(424,971)	(515,000)
	<u>518,226</u>	<u>518,226</u>
At the end of year	<u>518,226</u>	<u>518,226</u>

10 Ultimate holding company

The company's ultimate holding company is Umeco plc, which is incorporated in Great Britain and registered in England and Wales

The results of the company are included in the consolidated accounts of Umeco plc which are available to the public and may be obtained from Umeco plc, Concorde House, 24 Warwick New Road, Leamington Spa, Warwickshire, CV32 5JG

No other group accounts include the results of the company

11 Post balance sheet events

It has been announced that the corporation tax rate applicable to the company is expected to change from 30% to 28% from 1 April 2008. The deferred tax asset has been calculated at 30% in accordance with FRS19. Any timing differences which reverse before 1 April 2008 will be charged at 30%, any timing differences which exist at 1 April 2008 will reverse at 28% and, because of the uncertainty of when the deferred tax asset will reverse it is not possible to calculate the full financial impact of this change.