

Company Number 2938049

TAV ENGINEERING COMPONENTS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED

31 DECEMBER 2010

TUESDAY



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COMPANIES HOUSE

COMPANY INFORMATION

DIRECTOR

M C Jamson

SECRETARY

Barlow Robbins Secretariat Limited

REGISTERED OFFICE

The Oriel
Sydenham Road
Guildford
Surrey GU1 3SR

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey GU1 1UW

DIRECTOR'S REPORT

The director submits his report and the financial statements of TAV Engineering Components Limited for the year ended 31 December 2010

PRINCIPAL ACTIVITIES

The company's principal activity is the design, manufacture and distribution of fluid handling and associated equipment within the United Kingdom and overseas

RESULTS AND DIVIDENDS

The profit and loss account is set out on page 5 and shows the profit for the year

The directors do not recommend the payment of a final dividend (2009 £Nil)

DIRECTORS

M C Jamson

J Royan

(resigned 21 May 2010)

AUDITOR

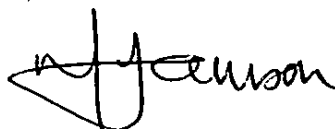
Baker Tilly UK Audit LLP were appointed as auditors in the year and have indicated their willingness to continue in office

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The director who was in office on the date of approval of these financial statements has confirmed as far as he is aware that there is no relevant audit information of which the auditors are unaware. The director has confirmed that he has taken all the steps that he ought to have taken as director in order to make himself aware of any relevant audit information and to establish that it has been communicated to the auditor.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board



M C Jamson

Director

29/03/ 2011

**DIRECTOR'S RESPONSIBILITIES IN THE PREPARATION OF
FINANCIAL STATEMENTS**

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they 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 director is required to

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

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAV ENGINEERING COMPONENTS LIMITED

We have audited the financial statements on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 more fully explained in the Director's Responsibilities Statement set out on page 3, the director is 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 (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the 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 2010 and of the company's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

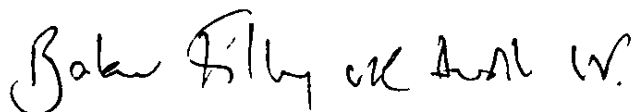
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the director's report.



COLIN ROBERTS ACA (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey GU1 1UW

30 MARCH 2011

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2010

	Notes	2010 £	2009 £
TURNOVER	1	643,731	572,198
Cost of sales		(505,760)	(510,329)
Gross profit		<u>137,971</u>	<u>61,869</u>
Distribution costs		(3,339)	(5,999)
Administrative expenses		(88,868)	(255,665)
OPERATING PROFIT/(LOSS)		<u>45,764</u>	<u>(199,795)</u>
Other interest receivable and similar income		-	1,897
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2	<u>45,764</u>	<u>(197,898)</u>
Taxation on profit/(loss) on ordinary activities	4	4,785	38,947
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	11	<u>40,979</u> =====	<u>(158,951)</u> =====

The operating profit for the year arises from the company's continuing operations

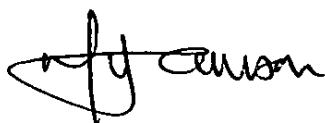
No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

BALANCE SHEET (Company Registration Number: 2938049)**31 December 2010**

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible assets	5	5 389	10,208
CURRENT ASSETS			
Stocks	6	110 332	128 000
Debtors	7	1 756 301	1 744 791
Cash in hand		77 550	34 910
		1 944 183	1 907 701
CREDITORS			
Amounts falling due within one year	8	(70 117)	(79 433)
NET CURRENT ASSETS		1,874,066	1 828 268
TOTAL ASSETS LESS CURRENT LIABILITIES		1 879 455	1 838 476
CAPITAL AND RESERVES			
Called up equity share capital	10	500 000	500 000
Profit and loss account	11	1,379,455	1 338 476
SHAREHOLDER'S FUNDS	12	1,879,455	1 838 476

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements on pages 5 to 13 were approved by the board of directors and authorised for issue on 29/03/2011 and are signed on its behalf by



M C Jamson
Director

Financial statements for the year ended 31 December 2010**ACCOUNTING POLICIES**

BASIS OF ACCOUNTING

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

CASH FLOW STATEMENT

The company has taken advantage of the small company exemption from preparing a cash flow statement under the terms of FRS 1

TURNOVER

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales

TANGIBLE FIXED ASSETS

Fixed assets are stated at historic cost less depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value over the useful economic life of that asset as follows

Leasehold land and buildings	-	4 years straight line
Plant & machinery	-	3-5 years straight line

STOCKS

Stocks are valued at the lower of cost and net realisable value. In determining the cost of raw materials, consumables and goods purchased for resale, the weighted average purchase price is used. For work in progress and finished goods manufactured by the group, cost is taken as production cost, which includes an appropriate proportion of direct labour and attributable production overheads.

FOREIGN CURRENCY

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rate ruling at the balance sheet date. Any differences are taken to the profit and loss account.

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 tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Financial statements for the year ended 31 December 2010**ACCOUNTING POLICIES**

LEASED ASSETS

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases) the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account over the shorter of estimated useful economic life and the period of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

PENSION COSTS

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

1 TURNOVER

The proportion of turnover that is attributable to markets outside the United Kingdom is 33% (2009 34%)

2 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2010 £	2009 £
Profit/(loss) on ordinary activities before taxation is stated after charging/(crediting) Depreciation and amounts written off tangible fixed assets		
Charge for the year		
owned assets	4 819	10 138
Profit on disposal of fixed assets	-	(313)
Operating lease rentals		
Other assets	-	60 800
Auditor's remuneration		
Statutory audit		8 200
Tax services		2,500
	=====	=====

3 EMPLOYEES	2010 No.	2009 No
The average monthly number of persons (excluding directors) employed by the company during the year was		
Manufacturing	9	11
Research and development	2	2
Sales and administration	1	1
	=====	=====
	12	14
	=====	=====
	£	£
Staff costs for the above persons		
Wages and salaries	276,410	328 795
Social security costs	26,718	27,243
Other pension costs	11,432	12 630
	=====	=====
	314,560	368,668
	=====	=====

DIRECTOR'S REMUNERATION

No director received any emoluments during the current year (2009 £Nil)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

4	TAXATION	2010	2009
		£	£
	Deferred tax		
	Origination and reversal of timing differences	12,840	(38,947)
	Adjustment in respect of previous periods	(9,355)	-
	Effect of change in tax rate	1,300	-
		<u>4,785</u>	<u>(38,947)</u>
		=====	=====
	Factors affecting tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	45,764	(197,898)
		=====	=====
	Profit/(loss) on ordinary activities before taxation multiplied by the standard applicable rate of UK corporation tax 28% (2009 28%)	12,814	(55,411)
	Effects of		
	Expenses not deductible for tax purposes	27	7,437
	Fixed asset timing differences	106	2,667
	Group relief	-	9,028
	Other timing differences	(76)	14
	Difference in tax value of transferred assets	-	-
	Unutilised tax losses	-	36,265
	Utilised tax losses	(12,871)	-
		<u>-</u>	<u>-</u>
		=====	=====
	Current tax charge for the year	-	-

Tax losses available to the company of £116,660 (2009 £162,628) will not be utilised and accordingly a deferred tax asset has not been recognised. The unrecognised deferred tax asset is £2,965 (2009 £2,965).

5	TANGIBLE FIXED ASSETS	Leasehold land and buildings £	Plant & machinery £	TOTAL £
	Cost or valuation			
	At 1 January 2010 and 31 December 2010	108,547	395,572	504,119
	Depreciation			
	At 1 January 2010	108,547	385,364	493,911
	Provided for the year	-	4,819	4,819
		<u>108,547</u>	<u>390,183</u>	<u>498,730</u>
		=====	=====	=====
	Net book value			
	At 31 December 2010	-	5,389	5,389
		<u>-</u>	<u>5,389</u>	<u>5,389</u>
		=====	=====	=====
	At 31 December 2009	-	10,208	10,208
		<u>-</u>	<u>10,208</u>	<u>10,208</u>
		=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

6	STOCKS	2010 £	2009 £
	Raw materials	13,844	23,411
	Work in progress	91,850	99,065
	Finished goods and goods for resale	4,638	5,524
		<u>110,332</u>	<u>128,000</u>
		=====	=====

There is no material difference between the replacement cost of stocks and the amounts stated above

7	DEBTORS	2010 £	2009 £
	Due within one year		
	Trade debtors	111,025	75,120
	Amounts owed by group undertakings	1,604,591	1,602,282
	Prepayments and accrued income	5,590	11,973
	Other debtors	-	15,536
	Deferred taxation	35,095	39,880
		<u>1,756,301</u>	<u>1,744,791</u>
		=====	=====

8	CREDITORS	2010 £	2009 £
	Amounts falling due within one year		
	Trade creditors	36,840	51,953
	Other taxation and social security	19,563	7,328
	Accruals and deferred income	13,714	20,152
		<u>70,117</u>	<u>79,433</u>
		=====	=====

9	DEFERRED TAXATION	Deferred taxation £
	At 1 January 2010	39,880
	Credited to profit and loss account	(4,785)
	At 31 December 2010	<u>35,095</u>
		=====

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2010

9 DEFERRED TAXATION (Continued)

	2010	2009
	£	£
Analysis of deferred tax		
Accelerated capital allowances	3 339	3,272
Sundry timing differences	258	343
	<u>3 597</u>	<u>3 615</u>
Unutilised tax losses	31 498	36,265
	<u>35,095</u>	<u>39,880</u>
	=====	=====

10 SHARE CAPITAL

	2010	2009
	£	£
Allotted, called up and fully paid		
500 000 ordinary shares of £1	500 000	500 000
	=====	=====

11 PROFIT AND LOSS ACCOUNT

	2010	2009
	£	£
At 1 January 2010	1,338,476	1,497,427
Profit/(loss) for the financial year	40 979	(158,951)
	<u>1,379,455</u>	<u>1,338,476</u>
	=====	=====

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2010	2009
	£	£
Profit/(loss) for the financial year	40,979	(158 951)
Dividends	-	-
	<u>40 979</u>	<u>(158 951)</u>
Net addition/(reduction) to shareholder's funds	1 838 476	1 997 427
Opening shareholder's funds	<u>1 838 476</u>	<u>1 997 427</u>
	=====	=====
Closing shareholder's funds	<u>1 879 455</u>	<u>1 838 476</u>
	=====	=====

13 PENSIONS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £11,432 (2009 £12,629). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2010

**14 ULTIMATE PARENT COMPANY AND PARENT UNDERTAKING
OF LARGER GROUP**

The immediate parent undertaking is Cynergy3 Components Limited. The ultimate parent undertaking is CNGY4 Investments Limited, a company incorporated in Jersey and the director considers CNGY4 Investments Limited to be the ultimate parent undertaking.

The largest and smallest group in which the results of the group are consolidated is that headed by Cynergy3 Components Limited, incorporated in England. The consolidated accounts of this company are available to the public and may be obtained from the Secretary, Barlow Robbins Secretariat Limited, The Oriel, Sydenham Road, Guildford, Surrey, GU1 3SR. No other group accounts include the results of the company.

15 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions provided by FRS8 "Related Party Transactions" and has not disclosed transactions with fellow group undertakings where more than 100% of voting rights are controlled within the group and consolidated financial statements in which the company is incorporated are publicly available.