

**Cynergy3 Components Fab
Limited**

Report and Financial Statements

Year Ended

31 December 2009

Company Number 4464544

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Cynergy3 Components Fab Limited

**Report and financial statements
for the year ended 31 December 2009**

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Director

M C Jamson

Secretary and registered office

Barlow Robbins Secretariat Limited, The Oriel, Sydenham Road, Guildford, Surrey, GU1 3SR

Company number

4464544

Auditors

BDO LLP, Arcadia House, Maritime Walk, Ocean Village, Southampton, SO14 3TL

Cynergy3 Components Fab Limited

Report of the director for the year ended 31 December 2009

The director presents his report together with the audited financial statements for the year ended 31 December 2009

Results

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

Principal activities

The company has not traded during the year

The company's principal activity was to manufacture silicon into circuit protection products and switching power products. In 2007 the Company terminated its subcontract agreement with Cynergy3 Europe Sarl and commenced selling its products direct to the end customer. Focus was on growing its sales to a wider market to reduce its dependency on its largest customer. However, at the end of 2007 the Company's only major customer Crydom resourced the product from a competitor resulting in the company ceasing to trade on the 13 June 2008. As a result of this decision to cease to trade the director has not prepared the financial statements on a going concern basis.

Directors

The directors of the company during the year were

M C Jamson (appointed on 4 February 2010)

J R J Fenton (resigned on 4 February 2010)

Director's responsibilities

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 they are 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 these financial statements, the director is required to

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 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 them to ensure that the financial statements comply with the Companies Act 2006. The director 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.

Cynergy3 Components Fab Limited

Report of the director
for the year ended 31 December 2009 (*continued*)

Auditors

The current director has taken all the steps that he ought to have taken to make himself aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The director is not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

In preparing this director's report advantage has been taken of the small companies' exemption.

By order of the board


Barlow Robbins Secretariat Limited

Secretary

Date 03/09/10

Cynergy3 Components Fab Limited

Independent auditor's report

TO THE MEMBERS OF CYNERGY3 COMPONENTS FAB LIMITED

We have audited the financial statements of Cynergy3 Components Fab Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet and the related notes. 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 explained more fully in the statement of director's responsibilities, 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 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 of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on 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 2009 and of its loss 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 matter 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.

Cynergy3 Components Fab Limited

Independent auditor's report (*continued*)

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 and the director's report in accordance with the small companies' regime



*Christopher Driver (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Southampton
United Kingdom*

Date *2nd September 2010*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Cynergy3 Components Fab Limited

Profit and loss account for the year ended 31 December 2009

	Note	2009 £	2008 £
Turnover	2	-	986,030
Cost of sales		-	1,086,233
		<hr/>	<hr/>
Gross loss		-	(100,203)
Administrative expenses		53,986	767,074
		<hr/>	<hr/>
Operating loss	3	(53,986)	(867,277)
Other interest receivable and similar income		225	450
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(53,761)	(866,827)
Taxation on loss on ordinary activities	5	-	(178,344)
		<hr/>	<hr/>
Loss on ordinary activities after taxation		(53,761)	(1,045,171)
		<hr/>	<hr/>

All amounts relate to discontinued activities

All recognised gains and losses in the current and prior year are included in the profit and loss account

The notes on pages 7 to 13 form part of these financial statements

Cynergy3 Components Fab Limited

Balance sheet at 31 December 2009

Company number 4464544	Note	2009 £	2009 £	2008 £	2008 £
Fixed assets					
Tangible assets	6		-		535,000
Current assets					
Debtors	7	108,504		54,113	
Cash at bank and in hand		387,225		107,215	
		<u>495,729</u>		<u>161,328</u>	
Creditors amounts falling due within one year	8	<u>604</u>		<u>147,442</u>	
Net current assets			<u>495,125</u>		<u>13,886</u>
Total assets less current liabilities			<u>495,125</u>		<u>548,886</u>
Capital and reserves					
Called up share capital	10		3,972,100		3,972,100
Profit and loss account	11		(3,476,975)		(3,423,214)
Shareholders' funds	12		<u>495,125</u>		<u>548,886</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

The financial statements were approved by the director and authorised for issue on 01/09/10

M C Jamson
Director

The notes on pages 7 to 13 form part of these financial statements

Cynergy3 Components Fab Limited

Notes forming part of the financial statements
for the year ended 31 December 2009

1 Accounting policies

The financial statements have been prepared under the historical cost convention

The following principal accounting policies have been applied

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 2006

Turnover

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

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, except for investment properties and freehold land, evenly over their expected useful lives. It is calculated at the following rates

Leasehold property	- Life of lease
Plant and machinery	- 10 years
Leasehold Improvements	- Shorter of the life of the lease and 10 years
Office equipment	- 5 years

Impairment of fixed assets and goodwill

The need for any fixed asset impairment write-down is assessed by comparison to the net realisable values of the assets

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 rates ruling at the balance sheet date. Any differences are taken to the profit and loss account

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred. Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences

Deferred tax balances are not discounted

Cynergy3 Components Fab Limited

Notes forming part of the financial statements
for the year ended 31 December 2009 (*continued*)

1 Accounting policies (*continued*)

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 in the year in which they become payable.

Related party disclosures

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8, 'Related party disclosures', not to disclose transactions with members or investees of the group headed by Cynergy3 Components Limited (formerly FRC Investments Limited) on the grounds that 100% of the voting rights in the company are controlled within that group and the company is included in the consolidated financial statements.

2 Turnover

The proportion of turnover that is attributable to markets outside the United Kingdom is 0% (2008 - 100%)

3 Operating loss

	2009 £	2008 £
This is arrived at after charging/(crediting)		
Depreciation of tangible fixed assets	47,287	110,601
Profit on disposal of tangible fixed assets	(4,964)	(70,059)
Hire of plant and machinery - operating leases	-	5,729
Auditors' remuneration - fees payable to the company's auditor for the audit of the company's annual accounts	2,500	6,750
Auditors' remuneration - taxation services	1,250	3,000
Impairment of tangible fixed assets	-	397,739
	<u> </u>	<u> </u>

Cynergy3 Components Fab Limited

Notes forming part of the financial statements
for the year ended 31 December 2009 (continued)

4 Director's remuneration

	2009 £	2008 £
Aggregate emoluments, pension contributions and amounts receivable under long term incentive schemes	-	86,818
Company contributions to money purchase pension schemes	-	7,828
Compensation for loss of office	-	8,580
	<u> </u>	<u> </u>

There were no directors in the company's defined contribution pension scheme during the year (2008 -1)

5 Taxation on loss on ordinary activities

	2009 £	2008 £
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	180,730
Adjustment in respect of previous periods	-	(2,386)
	<u> </u>	<u> </u>
Movement in deferred tax provision	-	178,344
	<u> </u>	<u> </u>

The tax assessed for the year is higher than the standard rate of corporation tax in the UK applied to the loss before tax

	2009 £	2008 £
Loss on ordinary activities before tax	(53,761)	(866,827)
	<u> </u>	<u> </u>
Loss on ordinary activities at the standard rate of corporation tax in the UK of 28% (2008 - 28%)	(15,053)	(242,712)
Effect of		
Expenses not deductible for tax purposes	11,996	119,515
Fixed asset timing differences	-	(180,730)
Movement on unrecognised deferred tax	3,082	-
Group relief	(25)	131,055
Movement on utilised tax losses	-	93,196
Losses eliminated on cessation of trade	-	78,508
Intercompany loan waiver	-	1,168
	<u> </u>	<u> </u>
Current tax charge for the year	-	-
	<u> </u>	<u> </u>

Tax losses available to the company of £343,849 (2008 £332,843) will not be utilised and accordingly a deferred tax asset has not been recognised. The unrecognised deferred tax asset is £96,278 (2008 93,196)

Cynergy3 Components Fab Limited

Notes forming part of the financial statements
for the year ended 31 December 2009 (*continued*)

6 Tangible fixed assets

	Leasehold land and buildings £	Leasehold improvement £	Plant and machinery £	Office equipment £	Total £
<i>Cost or valuation</i>					
At 1 January 2009	1,400,000	428,197	1,002,022	9,781	2,840,000
Disposals	(1,400,000)	(428,197)	(1,002,022)	(9,781)	(2,840,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2009	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>					
At 1 January 2009	900,000	428,197	967,022	9,781	2,305,000
Provided for the year	47,287	-	-	-	47,287
Disposals	(947,287)	(428,197)	(967,022)	(9,781)	(2,352,287)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2009	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 31 December 2009	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2008	500,000	-	35,000	-	535,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Cynergy3 Components Fab Limited

Notes forming part of the financial statements
for the year ended 31 December 2009 (*continued*)

7 Debtors

	2009 £	2008 £
Trade debtors	-	23,741
Amounts owed by group undertakings	107,810	-
Corporation tax recoverable	-	4,385
Other debtors	657	-
Prepayments and accrued income	37	25,987
	<u>108,504</u>	<u>54,113</u>

All amounts shown under debtors fall due for payment within one year

8 Creditors amounts falling due within one year

	2009 £	2008 £
Trade creditors	-	1,739
Amounts owed to group undertakings	-	3,079
Taxation and social security	-	8,288
Other creditors	604	134,336
	<u>604</u>	<u>147,442</u>

9 Pensions

The company operated 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 £117 (2008 - £11,036). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

10 Share capital

	2009 £	2008 £
<i>Allotted, called up and fully paid</i>		
'A' Ordinary shares of £1 each	2,383,260	2,383,260
'B' Ordinary shares of £1 each	1,588,840	1,588,840
	<u>3,972,100</u>	<u>3,972,100</u>

Cynergy3 Components Fab Limited

Notes forming part of the financial statements
for the year ended 31 December 2009 (*continued*)

11 Reserves

	Profit and loss account £
At 1 January 2009	(3,423,214)
Loss for the year	(53,761)
	<hr/>
At 31 December 2009	(3,476,975)
	<hr/>

12 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Loss for the year	(53,761)	(1,045,171)
Opening shareholders' funds	548,886	1,594,057
	<hr/>	<hr/>
Closing shareholders' funds	495,125	548,886
	<hr/>	<hr/>

13 Related party disclosures

	Sales to related party £	Expenses recharged to related party £
2009		
Cynergy3 Europe Sarl	-	-
Cynergy3 Components Corporation	-	4,222
	<hr/>	<hr/>
2008		
Cynergy3 Europe Sarl	(14,030)	-
Cynergy3 Components Corporation	-	-
	<hr/>	<hr/>

Cynergy3 Europe Sarl is a subsidiary of Cynergy3 Components Corporation, which is a related party to the parent company through common directorships

Cynergy3 Components Fab Limited

**Notes forming part of the financial statements
for the year ended 31 December 2009 (*continued*)**

14 Ultimate parent company and parent undertaking of larger group

The immediate parent undertaking is Cynergy3 Components Limited (formerly FRC Investments 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 controlling party.

The largest and smallest group in which the results of the company 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.