

**Cynergy3 Ferndown Limited
(formerly Cynergy3 Components
Limited)**

Report and Financial Statements

Year Ended

31 December 2009

Company Number 06401444



BDO

Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited)

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

Contents

Page

1	Report of the director
3	Independent auditor's report
5	Profit and loss account
6	Balance sheet
7	Notes forming part of the financial statements

Director

M C Jamson

Secretary and registered office

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

Company number

06401444

Auditors

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

Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited)

Report of the director for the year ended 31 December 2009

The director presents its 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's principal activity is the design, manufacture and sale of a range of components based on reedswitch technology. These products include liquid level and flow sensors and high voltage and RF/HF reed relays. The products are sold worldwide through various sales channels, catalogue and design-in based distribution, reps and agents as well as direct sales.

On 2 November 2009 the company changed its name to Cynergy3 Ferndown Limited

In an effort to reduce costs the trade, assets and liabilities of Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited) were transferred into Cynergy3 Components Limited (formerly FRC Investments Limited) on 31 October 2009 and FRC Investments Limited was renamed Cynergy3 Components Limited, for brand continuity, on 2 November 2009. On the same date Cynergy3 Components Limited changed its name to Cynergy3 Ferndown Limited.

Cynergy3 Ferndown Limited is now dormant

Directors

The director of the company during the year were

M C Jamson

J Royan - Resigned 21 May 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 Ferndown Limited (formerly Cynergy3 Components Limited)

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

Auditors

The current director has taken all the steps that it ought to have taken to make itself 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 Ferndown Limited (formerly Cynergy3 Components Limited)

Independent auditor's report

TO THE MEMBERS OF CYNERGY3 FERNDOWN LIMITED (FORMERLY CYNERGY3 COMPONENTS LIMITED)

We have audited the financial statements of Cynergy3 Ferndown Limited (formerly Cynergy3 Components 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 Ferndown Limited (formerly Cynergy3 Components 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 7th September 2010

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

Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited)

Profit and loss account for the year ended 31 December 2009

		Continuing operations	Discontinued operations	Total	Total 17 October 2007 to
		Year ended 31 December 2009 £	Year ended 31 December 2009 £	Year ended 31 December 2009 £	31 December 2008 £
	Note				
Turnover	3	-	2,985,633	2,985,633	4,931,663
Cost of sales		-	2,303,496	2,303,496	3,390,834
Gross profit		-	682,137	682,137	1,540,829
Distribution costs		-	367,220	367,220	551,498
Administrative expenses		-	348,827	348,827	307,786
Operating (loss)/profit	4	-	(33,910)	(33,910)	681,545
Other interest receivable and similar income				661	470
Interest payable and similar charges				(10,401)	(16,249)
(Loss)/profit on ordinary activities before taxation				(43,650)	665,766
Taxation on (loss)/profit on ordinary activities	6			8,741	106,362
(Loss)/profit on ordinary activities after taxation				(34,909)	772,128

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

The notes on pages 7 to 16 form part of these financial statements

Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited)

Balance sheet at 31 December 2009

Company number 06401444

	Note	31 December 2009 £	31 December 2009 £	31 December 2008 £	31 December 2008 £
Fixed assets					
Tangible assets	7		-		1,223,011
Current assets					
Stocks	8	-		477,699	
Debtors	9	475,632		1,041,531	
Cash at bank and in hand		261,588		641,076	
		<u>737,220</u>		<u>2,160,306</u>	
Creditors amounts falling due within one year	10	-		2,568,688	
		<u>-</u>		<u>2,568,688</u>	
Net current assets/(liabilities)			<u>737,220</u>		<u>(408,382)</u>
Total assets less current liabilities			<u>737,220</u>		<u>814,629</u>
Creditors amounts falling due after more than one year	11		-		42,500
			<u>-</u>		<u>42,500</u>
			<u>737,220</u>		<u>772,129</u>
Capital and reserves					
Called up share capital	14		1		1
Profit and loss account	15		737,219		772,128
			<u>737,220</u>		<u>772,129</u>
Shareholders' funds	16		<u>737,220</u>		<u>772,129</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 Jamson
Director

The notes on pages 7 to 16 form part of these financial statements

Cynergy3 Ferndown Limited (formerly Cynergy3 Components 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, freehold land and assets under the course of construction, evenly over their expected useful lives. It is calculated at the following rates

Leasehold property	- 4 years
Plant and machinery	- 3 to 5 years
Motor vehicles	- 4 to 5 years
Office equipment	- 2 to 4 years

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

Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited)

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

1 Accounting policies (*continued*)

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.

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.

Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited)

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

2 Corresponding figures

The analysis between continuing and discontinued operations for the period ended 31 December 2008 is shown below

	Continuing £	Discontinued £	Total £
Turnover	-	4,931,663	4,931,663
Cost of sales	-	3,390,834	3,390,834
Gross profit	-	1,540,829	1,540,829
Distribution costs	-	551,498	551,498
Administrative expenses	-	307,786	307,786
Operating profit	-	681,545	681,545

3 Turnover

The proportion of turnover that is attributable to markets outside the United Kingdom is 65% (2008 - 77%)

4 Operating (loss)/profit

	Year ended 31 December 2009 £	17 October 2007 to 31 December 2008 £
This is arrived at after charging		
Depreciation of tangible fixed assets	300,397	391,356
Hire of plant and machinery - operating leases	-	12,331
Hire of other assets - operating leases	97,004	129,574
Auditors' remuneration - fees payable to the company's auditor for the audit of the company's annual accounts	7,500	14,000
Auditors' remuneration - taxation services	2,250	2,500

5 Director's remuneration

No director received any emoluments during the current year (2008 - £Nil)

Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited)

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

6 Taxation on (loss)/profit on ordinary activities

	Year ended 31 December 2009 £	17 October 2007 to 31 December 2008 £
<i>Deferred tax</i>		
Origination and reversal of timing differences	(8,741)	(106,362)

The tax assessed for the year/period is higher than/lower than the standard rate of corporation tax in the UK applied to the (loss)/profit before tax

	Year ended 31 December 2009 £	17 October 2007 to 31 December 2008 £
(Loss)/profit on ordinary activities before tax	(43,650)	665,766
(Loss)/profit on ordinary activities at the standard rate of corporation tax in the UK of 28% (2008 - 28%)	(12,222)	186,414
Effect of		
Expenses not deductible for tax purposes	12,350	860
Fixed asset timing differences	9,170	105,393
Other timing differences	(294)	969
Group relief	(9,004)	(273,505)
Intercompany loan waiver	-	(20,721)
Difference in tax value of transferred assets	-	590
Current tax charge for the year/period	-	-

Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited)

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

7 Tangible fixed assets

	Leasehold land and buildings £	Plant and machinery £	Motor vehicles £	Office equipment £	Assets under the course of construction £	Total £
<i>Cost or valuation</i>						
At 1 January 2009	170,840	2,344,131	5,795	341,015	176,640	3,038,421
Additions	-	15,044	-	-	-	15,044
Disposals	(170,840)	(2,535,815)	(5,795)	(341,015)	-	(3,053,465)
Transfers	-	176,640	-	-	(176,640)	-
At 31 December 2009	-	-	-	-	-	-
<i>Depreciation</i>						
At 1 January 2009	136,177	1,356,999	3,091	319,143	-	1,815,410
Provided for the year	14,421	272,156	966	12,854	-	300,397
Disposals	(150,598)	(1,629,155)	(4,057)	(331,997)	-	(2,115,807)
At 31 December 2009	-	-	-	-	-	-
<i>Net book value</i>						
At 31 December 2009	-	-	-	-	-	-
At 31 December 2008	34,663	987,132	2,704	21,872	176,640	1,223,011

Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited)

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

7 Tangible fixed assets (continued)

The brought forward balances have been adjusted to reclassify the cost and accumulated depreciation of assets transferred from a group company in 2008. This reclassification has had no impact on the brought forward net book value.

The cost and depreciation disposals include £3,048,683 and £2,112,293 respectively of assets sold to Cynergy3 Components Limited, a related group company, at net book value.

The net book value of tangible fixed assets includes an amount of £Nil (2008 - £4,040) in respect of assets held under finance leases and hire purchase contracts. The related depreciation charge on these assets for the year/period was £4,040 (2008 - £16,160).

8 Stocks

	31 December 2009 £	31 December 2008 £
Stocks	-	391,793
Work in progress	-	58,302
Finished goods and goods for resale	-	27,604
	<hr/>	<hr/>
	-	477,699
	<hr/>	<hr/>

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

9 Debtors

	31 December 2009 £	31 December 2008 £
Trade debtors	-	823,062
Amounts owed by group undertakings	475,632	61,243
Other debtors	-	15,086
Prepayments and accrued income	-	64,697
Deferred taxation (see note 12)	-	77,443
	<hr/>	<hr/>
	475,632	1,041,531
	<hr/>	<hr/>

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

Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited)

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

10 Creditors, amounts falling due within one year

	31 December 2009 £	31 December 2008 £
Other loans (see note 11)	-	127,500
Trade creditors	-	396,841
Amounts owed to group undertakings	-	1,815,265
Other taxation and social security	-	48,524
Obligations under finance lease and hire purchase contracts	-	7,459
Other creditors	-	173,099
	<u>-</u>	<u>2,568,688</u>

11 Creditors, amounts falling due after more than one year

	31 December 2009 £	31 December 2008 £
Other loan	-	42,500
	<u>-</u>	<u>42,500</u>

The other loan related to a loan with Lombard North Central PLC. This loan was secured on the plant and machinery of the company

12 Provisions for liabilities

	Deferred taxation £
Transferred from debtors	(77,443)
Credited to profit and loss account	(8,741)
Transfer to related party	86,184
	<u>-</u>
At 31 December 2009	<u>-</u>

Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited)

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

12 Provisions for liabilities (*continued*)

Deferred taxation

	31 December 2009 £	31 December 2008 £
Accelerated capital allowances	-	(72,729)
Other timing differences	-	(4,714)
	<u>-</u>	<u>(77,443)</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 £13,096 (2008 - £14,409). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

14 Share capital

	31 December 2009 £	31 December 2008 £
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

15 Reserves

	Profit and loss account £
At 1 January 2009	772,128
Loss for the year	<u>(34,909)</u>
At 31 December 2009	<u>737,219</u>

Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited)

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

16 Reconciliation of movements in shareholders' funds

	31 December 2009 £	31 December 2008 £
(Loss)/profit for the year/period	(34,909)	772,128
Issue of shares	-	1
	<hr/>	<hr/>
Net (deductions from)/additions to shareholders' funds	(34,909)	772,129
Opening shareholders' funds	772,129	-
	<hr/>	<hr/>
Closing shareholders' funds	737,220	772,129
	<hr/>	<hr/>

17 Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 31 December 2009 £	Land and buildings 31 December 2008 £
Operating leases which expire		
Within one year	-	5,329
After five years	-	122,500
	<hr/>	<hr/>
	-	127,829
	<hr/>	<hr/>

Cynergy3 Ferndown Limited (formerly Cynergy3 Components Limited)

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

18 Related party disclosures

Administrative expenses include £Nil (2008 £74,003) in respect of an amount written off previously owed to Cynergy3 Components International Limited, a related party undertaking

Related party transactions and balances

	Expenses recharged to related party £	Expenses recharged from related party £	Sales to related parties £	Amounts owed to related parties £
2009				
Cynergy3 Components Corporation	-	93,239	-	-
Amps Abundant	-	15,544	225	-
Cynergy3 Auro Technologies Private Limited	-	3,570	219	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
2008				
Cynergy3 Components Corporation	-	92,916	-	19,029
Amps Abundant	23,077	1,456	-	371
Cynergy3 Auro Technologies Private Limited	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Cynergy3 Components Corporation is the former ultimate parent undertaking Amps Abundant is a subsidiary undertaking of Cynergy3 Components Corporation

19 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 directors consider 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