

FASSI (UK) LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2008



FASSI (UK) LIMITED

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FASSI (UK) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

The directors present their report and financial statements for the year ended 31 December 2008.

Principal activities and review of the business

The principal activity of the company continued to be that of the import and sale of Fassi truck loaders and associated parts.

Results and dividends

The results for the year are set out on page 4.

Post balance sheet events

On 9th February 2009 the directors declared an interim dividend on which Fassi Gru Idrraulich S.P.A. have waived their right to their share.

Directors

The following directors have held office since 1 January 2008:

Mr J Carter

Mr F C Fassi

(Resigned 18 February 2008)

Mr G Fassi

(Appointed 18 February 2008)

Mr L Carter

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Jerroms LLP be reappointed as auditors of the company will be put to the Annual General Meeting.

FASSI (UK) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

Directors' responsibilities

The directors are responsible for preparing 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 those 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;
- 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 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.

Statement of disclosure to auditors

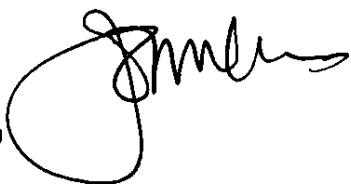
So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

Mr J Carter

Director

11 February 2009



FASSI (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO FASSI (UK) LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 14, together with the financial statements of Fassi (UK) Limited for the year ended 31 December 2008 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 them in an auditor's report on abbreviated accounts 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 work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

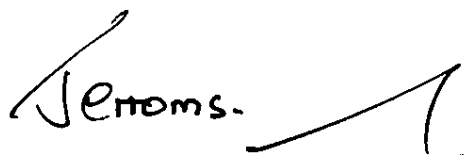
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of 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.



Jerroms LLP

11 February 2009

Chartered Certified Accountants
Registered Auditor

The Exchange, Haslucks Green Road
Shirley, Solihull
West Midlands
B90 2EL

FASSI (UK) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 £	2007 £
Gross profit		1,148,384	921,931
Administrative expenses		(553,632)	(436,168)
Operating profit	2	594,752	485,763
(Profits)/ losses on sale of fixed assets	2	(163)	(7,427)
Profit on ordinary activities before interest		594,589	478,336
Other interest receivable and similar income		59,011	64,444
Profit on ordinary activities before taxation		653,600	542,780
Tax on profit on ordinary activities	4	(189,501)	(165,327)
Profit for the year	12	464,099	377,453

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

FASSI (UK) LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 DECEMBER 2008

	Notes	2008 £	£	2007 £	£
Fixed assets					
Tangible assets	5		106,164		126,843
Current assets					
Stocks	6	10,117		232,902	
Debtors	7	951,379		1,233,338	
Cash at bank and in hand		2,243,784		2,074,786	
		3,205,280		3,541,026	
Creditors: amounts falling due within one year	8	(1,923,220)		(2,696,773)	
Net current assets			1,282,060		844,253
Total assets less current liabilities			1,388,224		971,096
Provisions for liabilities	9		(2,842)		(1,775)
			1,385,382		969,321
Capital and reserves					
Called up share capital	11	45,000		93,038	
Profit and loss account	12	1,340,382		876,283	
Shareholders' funds	13		1,385,382		969,321

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

Approved by the Board and authorised for issue on 11 February 2009

Mr J Carter
Director



FASSI (UK) LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	£	2008 £	£	2007 £
Net cash inflow from operating activities	19		342,810		502,251
Returns on investments and servicing of finance					
Interest received		59,011		64,444	
Net cash inflow for returns on investments and servicing of finance			59,011		64,444
Taxation			(161,705)		(143,351)
Capital expenditure					
Payments to acquire tangible assets		(28,080)		(117,257)	
Receipts from sales of tangible assets		5,000		29,112	
Net cash outflow for capital expenditure			(23,080)		(88,145)
Net cash inflow before management of liquid resources and financing			217,036		335,199
Financing					
Purchase of own shares		(48,038)		-	
Net cash outflow from financing			(48,038)		-
Increase in cash in the year	20, 21		168,998		335,199

FASSI (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	15% reducing balance
Fixtures, fittings & equipment	15-25% reducing balance
Motor vehicles	33% reducing balance

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Pensions

The company operates a money purchase (defined contribution) pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.8 Taxation

The charge for taxation is based on the profit for the year.

2 Operating profit

	2008 £	2007 £
Operating profit is stated after charging:		
Depreciation of tangible assets	43,596	31,985
Operating lease rentals	18,000	18,000
Auditors' remuneration (including expenses and benefits in kind)	4,395	4,000

FASSI (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

3	Investment income	2008 £	2007 £
	Bank interest	59,011	64,301
	Other interest	-	143
		<u>59,011</u>	<u>64,444</u>
4	Taxation	2008 £	2007 £
	Domestic current year tax		
	U.K. corporation tax	193,602	166,873
	Adjustment for prior years	(5,168)	-
		<u>188,434</u>	<u>166,873</u>
	Current tax charge		
	Deferred tax		
	Deferred tax charge credit current year	1,067	(1,546)
		<u>189,501</u>	<u>165,327</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>653,600</u>	<u>542,780</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2007 - 30.00%)	<u>183,008</u>	<u>162,834</u>
	Effects of:		
	Non deductible expenses	3,965	4,733
	Depreciation add back	12,207	9,595
	Capital allowances	(7,743)	(10,289)
	Adjustments to previous periods	(5,168)	-
	Loss on disposal	46	-
	Other tax adjustments	2,119	-
		<u>5,426</u>	<u>4,039</u>
	Current tax charge	<u>188,434</u>	<u>166,873</u>

FASSI (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

5 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2008	12,302	51,276	149,056	212,634
Additions	-	5,010	23,070	28,080
Disposals	-	-	(12,995)	(12,995)
At 31 December 2008	12,302	56,286	159,131	227,719
Depreciation				
At 1 January 2008	11,565	36,690	37,536	85,791
On disposals	-	-	(7,832)	(7,832)
Charge for the year	110	3,758	39,728	43,596
At 31 December 2008	11,675	40,448	69,432	121,555
Net book value				
At 31 December 2008	627	15,838	89,699	106,164
At 31 December 2007	737	14,586	111,520	126,843

6 Stocks

	2008 £	2007 £
Raw materials and consumables	10,117	232,902

7 Debtors

	2008 £	2007 £
Trade debtors	950,408	1,230,073
Prepayments and accrued income	971	3,265
	951,379	1,233,338

FASSI (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

8 Creditors: amounts falling due within one year	2008	2007
	£	£
Trade creditors	1,479,002	2,046,670
Corporation tax	193,602	166,873
Other taxes and social security costs	229,584	330,316
Directors' current accounts	453	426
Other creditors	2,493	133,932
Accruals and deferred income	18,086	18,556
	<u>1,923,220</u>	<u>2,696,773</u>

9 Provisions for liabilities

	Deferred tax liability
	£
Balance at 1 January 2008	1,775
Profit and loss account	1,067
	<u>2,842</u>
Balance at 31 December 2008	<u>2,842</u>

The deferred tax liability is made up as follows:

	2008	2007
	£	£
Accelerated capital allowances	<u>2,842</u>	<u>1,775</u>

10 Pension and other post-retirement benefit commitments

Defined contribution

	2008	2007
	£	£
Contributions payable by the company for the year	<u>14,000</u>	<u>7,500</u>

FASSI (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

11 Share capital	2008	2007
	£	£
Authorised		
60,000 Ordinary Shares of £1 each	60,000	60,000
- Preference shares of £1 each	-	48,038
	<u>60,000</u>	<u>108,038</u>
Allotted, called up and fully paid		
45,000 Ordinary Shares of £1 each	45,000	45,000
- Preference shares of £1 each	-	48,038
	<u>45,000</u>	<u>93,038</u>

The Preference Shares are redeemable between 30th September 1997 and 30th September 2012 and have been fully redeemed on 21 February 2008.

12 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2008	876,283
Profit for the year	464,099
Balance at 31 December 2008	<u>1,340,382</u>

13 Reconciliation of movements in shareholders' funds	2008	2007
	£	£
Profit for the financial year	464,099	377,453
Purchase of own shares	(48,038)	-
Net addition to shareholders' funds	<u>416,061</u>	<u>377,453</u>
Opening shareholders' funds	969,321	591,868
Closing shareholders' funds	<u>1,385,382</u>	<u>969,321</u>

FASSI (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

14 Financial commitments

At 31 December 2008 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2009:

	Land and buildings	
	2008	2007
	£	£
Operating leases which expire:		
Between two and five years	20,400	18,000

15 Directors' emoluments

	2008	2007
	£	£
Emoluments for qualifying services	204,485	106,889
Company pension contributions to money purchase schemes	11,000	-
	215,485	106,889

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	121,459	106,855
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FASSI (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2008**

16 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2008 Number	2007 Number
Administrative Staff	5	4
Sales Staff	3	3
	<u>8</u>	<u>7</u>

Employment costs

	2008 £	2007 £
Wages and salaries	428,808	390,658
Social security costs	54,221	44,638
Other pension costs	14,000	7,500
	<u>497,029</u>	<u>442,796</u>

17 Ultimate parent company

The ultimate parent company is Fassi Gru Idraulich S.P.A., a company incorporated in Italy.

18 Post balance sheet events

On 9th February 2009 the directors declared an interim dividend on which Fassi Gru Idraulich S.P.A. have waived their right to their share.

19 Reconciliation of operating profit to net cash inflow from operating activities

	2008 £	2007 £
Operating profit	594,752	485,763
Depreciation of tangible assets	43,596	31,985
Decrease/(increase) in stocks	222,785	(87,606)
Decrease/(increase) in debtors	281,959	(140,462)
(Decrease)/Increase in creditors within one year	(800,282)	212,571
	<u>342,810</u>	<u>502,251</u>

FASSI (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

20	Analysis of net funds	1 January 2008	Cash flow	Other non-cash changes	31 December 2008
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	2,074,786	168,998	-	2,243,784
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Net funds	2,074,786	168,998	-	2,243,784
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

21	Reconciliation of net cash flow to movement in net funds	2008	2007
		£	£
	Increase in cash in the year	168,998	335,199
		<u> </u>	<u> </u>
	Movement in net funds in the year	168,998	335,199
	Opening net funds	2,074,786	1,739,587
		<u> </u>	<u> </u>
	Closing net funds	2,243,784	2,074,786
		<u> </u>	<u> </u>