

Registered number. 1232580

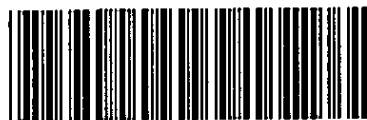
REGISTRAR'S OFFICE

FAIREY INDUSTRIAL CERAMICS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2006

THURSDAY



A24 *AWHIAQ7C* 367
07/06/2007
COMPANIES HOUSE

**INDEPENDENT AUDITORS' REPORT TO FAIREY INDUSTRIAL CERAMICS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts of Fairey Industrial Ceramics Limited for the year ended 31 December 2006 set out on pages 2 to 6, together with the financial statements of the company for the year ended 31 December 2006 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 it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

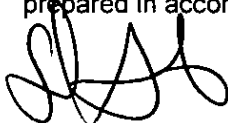
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions 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 sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 6 have been properly prepared in accordance with those provisions.



SILVER ALTMAN
Chartered Accountants
Registered Auditors
8 Baltic Street East
London
EC1Y 0UP

Date 31 May 2007

FAIREY INDUSTRIAL CERAMICS LIMITED

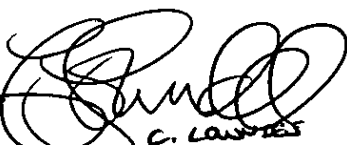
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ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2006

| | Note | 2006 £ | 2005 £ |
|--|------|--------------------|--------------------|
| FIXED ASSETS | | | |
| Tangible fixed assets | 3 | 305,158 | 366,698 |
| Fixed asset investments | 4 | 100 | 100 |
| | | <u>305,258</u> | <u>366,798</u> |
| CURRENT ASSETS | | | |
| Stocks | | 900,055 | 764,049 |
| Debtors | | 1,448,837 | 1,579,653 |
| Investments | | 47,532 | - |
| Cash at bank and in hand | | 141,770 | 43,791 |
| | | <u>2,538,194</u> | <u>2,387,493</u> |
| CREDITORS: amounts falling due within one year | 5 | <u>(1,728,214)</u> | <u>(1,661,927)</u> |
| NET CURRENT ASSETS | | <u>809,980</u> | <u>725,566</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>1,115,238</u> | <u>1,092,364</u> |
| CREDITORS: amounts falling due after more than one year | | (107,460) | - |
| PROVISIONS FOR LIABILITIES | | | |
| Deferred Tax | | (16,849) | (33,457) |
| NET ASSETS | | <u>£ 990,929</u> | <u>£ 1,058,907</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 6 | 45,000 | 45,000 |
| Share premium account | | 634,000 | 634,000 |
| Other reserves | | 55,000 | 55,000 |
| Profit and loss account | | 256,929 | 324,907 |
| SHAREHOLDERS' FUNDS | | <u>£ 990,929</u> | <u>£ 1,058,907</u> |

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved and authorised for issue by the board and were signed on its behalf on 31 May 2007

Director


C. Lowndes

The notes on pages 3 to 6 form part of these financial statements

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.3 Turnover

Turnover comprises sales invoiced (excluding value added tax, freight and commission) and the estimated sales value of goods delivered and accepted under contract which have not been invoiced.

1.4 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.5 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|--------------------------------------|---|---------------------|
| Plant, machinery and other equipment | - | 5-20% straight line |
| Office Equipment | - | 10% |

1.6 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on the straight line basis over the lease term.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006

1. ACCOUNTING POLICIES (continued)

1.8 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the profit and loss account

1.9 Pensions

The company makes contributions to personal pension schemes based on contractual terms. Pension costs charged in financial statements represent the contributions payable by the company during the year.

2. INTANGIBLE FIXED ASSETS

| | £ |
|--|----------------|
| Cost | |
| At 1 January 2006 and 31 December 2006 | <u>217,832</u> |
| Amortisation | |
| At 1 January 2006 and 31 December 2006 | <u>217,832</u> |
| Net book value | |
| At 31 December 2006 | £ - |
| At 31 December 2005 | £ - |

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

3. TANGIBLE FIXED ASSETS

| | £ |
|-----------------------|------------------|
| Cost | |
| At 1 January 2006 | 2,126,026 |
| Additions | 14,137 |
| Disposals | (67,766) |
| | <u>2,072,397</u> |
| Depreciation | |
| At 1 January 2006 | 1,759,328 |
| Charge for the year | 75,677 |
| On disposals | (67,766) |
| | <u>1,767,239</u> |
| Net book value | |
| At 31 December 2006 | £ 305,158 |
| At 31 December 2005 | £ 366,698 |

4. FIXED ASSET INVESTMENTS

| | £ |
|--|-------|
| Cost or valuation | |
| At 1 January 2006 and 31 December 2006 | £ 100 |

Subsidiary undertaking

The following was a subsidiary undertaking of the company

Fairey Filtration Systems Limited 100% ordinary share capital

The aggregate of the share capital and reserves as at 31 December 2006 and of the profit or loss for the year ended on that date for the subsidiary undertaking was as follows

| | Aggregate of share capital and reserves £ | Profit/(loss) £ |
|-----------------------------------|--|--------------------|
| Fairey Filtration Systems Limited | 100 | (142) |

5. CREDITORS**Amounts falling due within one year**

Included within creditors is a bank overdraft of £231,716 (2005 £436,736) which is secured

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006

6. SHARE CAPITAL

| | 2006 £ | 2005 £ |
|---|-----------|-----------|
| Authorised | | |
| 100,000 Ordinary shares of £1 each | £ 100,000 | £ 100,000 |
| Allotted, called up and fully paid | | |
| 45,000 Ordinary shares of £1 each | £ 45,000 | £ 45,000 |

7. CONTROLLING PARTY

The company regards Mantec Group Limited, a company incorporated in England and Wales, as its immediate and ultimate parent undertaking

The company regarded Taylor Tunnicliff Limited as its immediate parent undertaking and Whitfield Wylie Group Limited as its ultimate parent undertaking at 31 December 2005

During the year Whitfield Wylie Group Limited disposed of its interest in Talyor Tunnicliff Limited to Mantec Group Limited, and Taylor Tunnicliff Limited disposed of its interest in the company to Mantec Group Limited

The company regards Mr I N Davis as its ultimate controlling party by virtue of his interest in the share capital of the ultimate parent undertakings in both this and the previous year