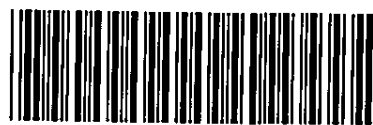


Radio-Tech Limited

Report and Financial Statements

52 week period ended 29 March 2008

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Radio-Tech Limited

REPORT AND FINANCIAL STATEMENTS 2008

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REPORT AND FINANCIAL STATEMENTS 2008

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

A Richardson	(resigned 8 October 2007)
B M Back	(resigned 23 July 2008)
I Panesar	
A Asefeso	(appointed 5 June 2007)
J Llewellyn	(appointed 20 August 2007)

SECRETARY

Ms B Cepe	(resigned 4 April 2008)
J Llewellyn	(appointed 4 April 2008)

REGISTERED OFFICE

U1 & U2, London Road Campus
London Road
Harlow
Essex
CM17 9NA

BANKERS

Barclays Bank plc
Epping

AUDITORS

Deloitte LLP
Reading

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for the 52 week period ended 29 March 2008.

BUSINESS REVIEW, PRINCIPAL ACTIVITIES AND FUTURE PROSPECTS

The company is a wholly owned subsidiary of Halma plc and operates as part of the group's water and asset monitoring division.

The company is principally engaged in the supply and distribution of products associated with low power radio and GSM cellular technology.

As shown in the company's profit and loss account on page 6 the company's sales have decreased by 22% over the prior year.

The profit and loss account shows a loss before taxation of £421,115 (2007: profit £341,497) and a loss after taxation of £416,698 (2007: profit of £262,540). An interim dividend of £250,000 on the Ordinary shares has been paid during the year (2007: £200,000). The Directors do not recommend the payment of a final dividend (2007: £nil).

The balance sheet on page 8 of the financial statements shows that the company's financial position at the period end is strong, in both net assets and cash terms. Details of amounts owed by/to its parent company are included in notes 12 & 13 on pages 15 & 16.

There have been no significant events since the balance sheet date.

The Halma plc group manages its operations on a divisional basis. For this reason, the company's Directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the division of Halma plc, which includes the company, is discussed in the group's Annual Report which does not form part of this Report.

The directors regard R&D investment as necessary for continuing success in the medium to long term future. No significant changes to the business are expected in the foreseeable future.

PRINCIPAL RISKS AND UNCERTAINTIES

The majority of the company's sales are made in sterling but some sales are in Euros, therefore the company is exposed to the movement in the exchange rates. The company takes out forward contracts to manage this risk.

Group risks are discussed in the group's Annual Report, which does not form part of this Report.

ENVIRONMENT

The Halma plc group recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the group's activities. The company operates in accordance with group policies, which are described in the group's Annual Report, which does not form part of this Report. Initiatives designed to minimise the company's impact on the environment include safe disposal of manufacturing waste, recycling and reducing energy consumption.

Radio-Tech Limited

DIRECTORS REPORT (CONTINUED)

EMPLOYEES

Details of the number of employees and related costs can be found in note 6 to the financial statements.

DIRECTORS

The directors who served during the year and to the date of signing, unless otherwise stated are shown on page 1.

AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S234ZA of the Companies Act 1985.

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board.

J Llewellyn
Secretary
10 December 2008



STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RADIO-TECH LIMITED

We have audited the financial statements of Radio-Tech Limited for the 52 weeks ended 29 March 2008 which comprise the profit and loss account, the balance sheet, the note of historical cost profits and losses and the related notes 1 to 20. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 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 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 29 March 2008 and of its loss for the 52 weeks then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



Deloitte LLP
Chartered Accountants and Registered Auditors
Reading, United Kingdom
10 December 2008

PROFIT AND LOSS ACCOUNT
For the 52 week period ended 29 March 2008

		52 weeks ended 29		52 weeks ended 31	
		March 2008		March 2007	
	Note	£	£	£	£
TURNOVER	2	2,457,908		3,136,665	
Cost of sales		<u>(2,364,344)</u>		<u>(2,366,896)</u>	
Gross profit		93,564		769,769	
Distribution costs		(35,479)		(33,562)	
Administrative expenses		<u>(468,130)</u>		<u>(400,236)</u>	
		(503,609)		(433,798)	
OPERATING (LOSS)/PROFIT	3	(410,045)		335,971	
Interest receivable and similar income:					
Bank interest receivable		<u>9,842</u>		<u>14,729</u>	
		9,842		14,729	
Interest payable and similar charges:					
Bank interest payable		<u>(20,912)</u>		<u>(9,203)</u>	
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(421,115)		341,497	
Tax credit/(charge) on (loss)/profit on ordinary activities	7	4,417		(78,957)	
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	17	<u>(416,698)</u>		<u>262,540</u>	

All amounts derive from continuing operations.

There are no other gains and losses except the loss for the period (2007: profit for the period) as noted above. Accordingly no statement of total recognised income and expense is presented.

NOTE OF HISTORICAL COST PROFITS AND LOSSES
For the 52 weeks ended 29 March 2008


	52 weeks ended 29 March 2008 £	52 weeks ended 31 March 2007 £
Reported (loss)/profit on ordinary activities before taxation	(421,115)	341,497
Difference between historical cost profit on disposal of freehold property and actual profit	-	164,632
HISTORICAL COST (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>(421,115)</u>	<u>506,129</u>
HISTORICAL COST (LOSS)/PROFIT FOR THE PERIOD RETAINED AFTER TAXATION	<u>(666,698)</u>	<u>227,172</u>

Radio-Tech Limited

BALANCE SHEET 31 March 2008

	Note	29 March 2008		31 March 2007	
		£	£	£	£
FIXED ASSETS					
Intangible assets	9	115,168		105,412	
Tangible assets	10	<u>165,610</u>		<u>202,765</u>	
			280,778		308,177
CURRENT ASSETS					
Stocks	11	384,416		429,712	
Debtors	12	1,064,645		1,616,691	
Cash at bank and in hand		<u>151,820</u>		<u>399,783</u>	
		1,600,881		2,446,186	
CREDITORS: amounts falling due within one year	13	<u>(1,049,602)</u>		<u>(1,250,995)</u>	
NET CURRENT ASSETS			<u>551,279</u>		<u>1,195,191</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			832,057		1,503,368
PROVISIONS FOR LIABILITIES AND CHARGES	14		<u>(36,185)</u>		<u>(40,798)</u>
NET ASSETS			<u><u>795,872</u></u>		<u><u>1,462,570</u></u>
CAPITAL AND RESERVES					
CALLED UP SHARE CAPITAL		Authorised	Issued and fully paid	Authorised	Issued and fully paid
Share capital (Ordinary shares of £1 each)		<u>1,000</u>	4	<u>1,000</u>	4
PROFIT AND LOSS ACCOUNT	16		<u>795,868</u>		<u>1,462,566</u>
SHAREHOLDER'S FUNDS	17		<u><u>795,872</u></u>		<u><u>1,462,570</u></u>

These financial statements were approved by the Board of Directors on **10** December 2008
Signed on behalf of the Board of Directors


I Llewellyn
Director


I Panesar
Director

Radio-Tech Limited

NOTES TO THE ACCOUNTS

For the 52 weeks ended 29 March 2008

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards.

The following accounting policies have been applied consistently in the current and preceding period in dealing with items considered material in relation to the accounts.

Accounting convention

The financial statements are prepared under the historical cost convention.

Turnover

Turnover represents sales, less returns, excluding value added tax, which is recognised on the transfer of risks and rewards of ownership.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and provision for impairment.

Depreciation is provided on all tangible fixed assets on the straight-line method, each item being written off over its estimated life. The principle annual rates used for this purpose are:

Plant, machinery and equipment	10% to 33%
Motor vehicles	20%

Research and development

Research expenditure is written off in the financial year in which it is incurred.

Development expenditure is written off in the financial year in which it is incurred, unless it relates to the development of a new or substantially improved product, is incurred after the technical feasibility and economic viability of the product has been proven and the decision to complete the development has been taken, and can be measured reliably. Such expenditure is capitalised as an intangible asset in the balance sheet at cost and is amortised through the profit and loss account on a straight line basis over its estimated economic life of three years.

Leases

The cost of operating leases of assets are charged on a straight line basis over the lease term.

Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rate ruling on the date of the transaction. Balance Sheet items denominated in foreign currencies are translated at the exchange rate ruling on the Balance Sheet date. Foreign currency exchange differences are dealt with in the profit and loss account.

Stocks

Stocks and Work in Progress are included at the lower of cost and net realisable value. Cost includes the appropriate proportion of production and other overheads considered by the Directors to be attributable to bringing the stock to its location and condition at the period end. Provision is made for obsolete, slow moving or defective items where appropriate.

Radio-Tech Limited

NOTES TO THE ACCOUNTS

For the 52 weeks ended 29 March 2008

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred taxation 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 Company'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.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the 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.

Pensions

The Company makes pension contributions to a defined contribution scheme for certain directors and employees, and to the Halma Group Pension Plan (the Scheme) for one director. The scheme is a defined benefit scheme. The Company is unable to determine its share of the underlying assets and liabilities of the scheme and accordingly accounts for the scheme as if it were a defined contribution scheme. Contributions to the schemes are charged to the profit and loss account when incurred.

Share-based payments

The Halma plc group operates a Performance Share Plan in which the company's employees participate. Awards under the plan are equity-settled and are subject to both market based and non-market based vesting criteria. Their fair value at the date of grant is established by using an appropriate simulation method to reflect the likelihood of market-based performance conditions being met. The fair value is charged to the profit and loss on a straight line basis over the vesting period, with appropriate adjustments being made during this period to reflect expected and actual forfeitures arising from the non-market based performance conditions only.

Radio-Tech Limited

NOTES TO THE ACCOUNTS

For the 52 weeks ended 29 March 2008

2. TURNOVER

Turnover for the year by geographical area was:

	52 weeks ended 29 March 2008 £	52 weeks ended 31 March 2007 £
UK	1,766,167	2,023,845
France	591,987	1,059,764
Rest of Europe	79,636	51,981
Rest of World	20,118	1,075
	<u>2,457,908</u>	<u>3,136,665</u>

Turnover derives from a single business activity, that of the supply and distribution of products associated with low power radio and GSM cellular technology.

3. OPERATING (LOSS)/PROFIT

	52 weeks ended 29 March 2008 £	52 weeks ended 31 March 2007 £
Operating profit is arrived at after charging/(crediting):		
Depreciation of tangible fixed assets – owned	63,565	52,778
Research and development	440,234	129,495
Auditors' remuneration - audit fees	9,420	8,881
Foreign exchange (gain)/ loss	(4,781)	20,424
Loss on disposal of fixed assets	-	66,161
Operating lease rentals – land and buildings	<u>77,386</u>	<u>44,996</u>

4. DIRECTORS' EMOLUMENTS

	52 weeks ended 29 March 2008 £	52 weeks ended 31 March 2007 £
Aggregate emoluments	260,291	156,994
Pension	<u>19,278</u>	<u>8,138</u>
	<u>279,569</u>	<u>165,132</u>

The highest paid director during the year received total emoluments of £85,574 (2007: £85,149), which consisted of emoluments of £81,830 (2007: £81,405) and pension of £3,744 (2007: £3,744).

Radio-Tech Limited

NOTES TO THE ACCOUNTS

For the 52 weeks ended 29 March 2008

5. PENSIONS

The Company participates in the Halma Group Pension Plan, which is a defined benefit pension scheme. The Company is unable to identify its share of the underlying assets and liabilities of the scheme and accordingly accounts for the scheme as if it were a defined contribution scheme. The assets of the pension scheme are separately held in trustee administered funds.

The pension cost relating to the defined benefit scheme is assessed in accordance with the advice of independent qualified actuaries. A full actuarial valuation was carried out as at 1 December 2005 and updated as at 29 March 2008 by a qualified independent actuary.

The assets of the scheme and the expected long-term rates of return were:

Halma Group Pension Plan	2008		2007		2006	
	%	£'000	%	£'000	%	£'000
Equities	7.50%	62,120	7.50%	62,582	7.75%	57,114
Bonds	5.85%	26,497	5.00%	23,676	4.75%	17,091
Property	6.00%	2,938	6.00%	3,197	4.75%	2,767
S75 debt		2,087		3,071	-	4,793
		<u>93,642</u>		<u>92,525</u>		<u>81,765</u>
Total market value of assets						
Present value of scheme liabilities		(122,089)		(121,824)		(119,314)
		<u>(28,447)</u>		<u>(29,299)</u>		<u>(37,549)</u>
Deficit in the scheme						
Related deferred tax		7,965		8,790		11,265
		<u>(20,482)</u>		<u>(20,509)</u>		<u>(26,284)</u>
Net pension liability						

Further disclosures can be found in the accounts of Halma plc.

6. EMPLOYEE INFORMATION

	52 weeks ended 29 March 2008 No.	52 weeks ended 31 March 2007 No.
The average number of persons employed (including site-based directors) by the company during the period was:	<u>33</u>	<u>25</u>
Employee costs of the company (including site-based directors) comprised:	£	£
Wages and salaries	1,004,175	699,231
Social security costs	111,868	73,104
Other pension costs	36,851	18,246
	<u>1,152,894</u>	<u>790,581</u>

Radio-Tech Limited

NOTES TO THE ACCOUNTS For the 52 weeks ended 29 March 2008

7. TAX (CREDIT)/CHARGE ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	52 weeks ended 29 March 2008 £	52 weeks ended 31 March 2007 £
Current tax:		
UK corporation tax on profits of the period	-	-
Adjustment in respect of prior periods	196	53,447
	<u>196</u>	<u>53,447</u>
Deferred tax:		
Origination and reversal of timing differences	(1,832)	24,993
Effect of change in future tax rate	(2,585)	-
Adjustment in respect of prior periods	(196)	517
	<u>(4,417)</u>	<u>78,957</u>
Tax (credit)/charge on (loss)/profit on ordinary activities		

The UK corporation tax assessed for the period is in line with the standard rate of corporation tax in the UK once allowance is made for the factors listed below:

	52 weeks ended 29 March 2008 £	52 weeks ended 31 March 2007 £
(Loss)/profit on ordinary activities before tax	(421,115)	341,497
Applying standard rate of UK corporation tax of 30%	(126,335)	102,449
Expenses not deductible for tax purposes	1,151	195
R&D tax credit	(5,479)	(6,552)
Other permanent differences	726	(17,652)
Capital allowances less than /(in excess of) depreciation	5,651	(24,993)
Other timing differences	(3,819)	-
Group relief surrendered	128,105	-
Previous period adjustments	196	-
	<u>196</u>	<u>53,447</u>
Current UK corporation tax charge		

8. DIVIDENDS

	2008 £	2007 £
Interim dividend paid on ordinary shares of £62,500 (2007: £50,000) per share	<u>250,000</u>	<u>200,000</u>

Radio-Tech Limited

NOTES TO THE ACCOUNTS For the 52 weeks ended 29 March 2008

9. INTANGIBLE FIXED ASSETS

	Capitalised development costs £
Cost	
At 1 April 2007	105,412
Additions	9,756
	<hr/>
At 29 March 2008	115,168
	<hr/>
Accumulated depreciation	
At 1 April 2007 and 29 March 2008	-
	<hr/>
Net book value	
At 29 March 2008	115,168
	<hr/>
At 31 March 2007	105,412
	<hr/>

10. TANGIBLE FIXED ASSETS

	Plant, equipment and motor vehicles £
Cost or valuation	
At 1 April 2007	387,176
Additions	26,410
	<hr/>
At 29 March 2008	413,586
	<hr/>
Accumulated depreciation	
At 1 April 2007	184,411
Charge for the period	63,565
	<hr/>
At 29 March 2008	247,976
	<hr/>
Net book value	
At 29 March 2008	165,610
	<hr/>
At 1 April 2007	202,765
	<hr/>

Radio-Tech Limited

NOTES TO THE ACCOUNTS

For the 52 weeks ended 29 March 2008

11. STOCKS

	29 March 2008 £	31 March 2007 £
Raw materials and consumables	371,114	406,941
Work in progress	13,302	22,771
	<u>384,416</u>	<u>429,712</u>

There is no material difference between the value of stock included in the balance sheet and its replacement cost.

12. DEBTORS

	29 March 2008 £	31 March 2007 £
Trade debtors	404,097	756,616
Amounts due from Group companies	539,925	761,491
Prepayments and accrued income	120,623	98,584
	<u>1,064,645</u>	<u>1,616,691</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	29 March 2008 £	31 March 2007 £
Trade creditors	439,889	320,339
Amounts due to group companies	317,838	695,393
Other taxation and social security	60,273	37,742
Corporation tax payable	72,451	75,904
Other creditors	49,750	-
Accruals and deferred income	109,401	121,617
	<u>1,049,602</u>	<u>1,250,995</u>

Interest on loans from group companies is charged at 1% over base rate.

Radio-Tech Limited

NOTES TO THE ACCOUNTS

For the 52 weeks ended 29 March 2008

14. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred Taxation	29 March 2008 £	31 March 2007 £
Accelerated capital allowances	5,277	11,501
Other timing differences	30,908	29,297
Provision for deferred tax	<u>36,185</u>	<u>40,798</u>

The movement on deferred taxation comprises:

	£
At 1 April 2007	40,798
Credited to profit and loss account	(4,613)
At 29 March 2008	<u>36,185</u>

15. FINANCIAL COMMITMENTS

Capital expenditure authorised and contracted at 29 March 2008, but not provided in these accounts amounts to £nil (2007: £nil).

Operating lease commitments:

At 29 March 2008 the company had annual commitments under non-cancellable operating leases expiring as follows:

	Land and buildings	
	29 March 2008 £	31 March 2007 £
Within one year	85,428	85,428
Within two to five years	207,836	291,879
	<u>293,264</u>	<u>377,307</u>

16. RESERVES

	Profit and loss account £
At 1 April 2007	1,462,566
Loss for the financial period	(416,698)
Dividends paid	(250,000)
At 29 March 2008	<u>795,868</u>

Radio-Tech Limited

NOTES TO THE ACCOUNTS For the 52 weeks ended 29 March 2008

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	29 March 2008 £	31 March 2007 £
(Loss)/profit for the financial period	(416,698)	262,540
Dividends paid	(250,000)	(200,000)
Net additions to shareholder's funds	(666,698)	62,540
Brought forward shareholder's funds	1,462,570	1,400,030
Carried forward shareholder's funds	795,872	1,462,570

18. PERFORMANCE SHARE PLAN

The Halma plc group operates a performance share plan in which the company's employees participate.

Awards made under this Plan vest after three years on a sliding scale subject to the Halma plc Group's relative Total Shareholder Return against, for 2007/08 and 2006/07, the FTSE 250 excluding financial companies and for 2005/06, the Engineering and Machinery sector, combined with an absolute Return on total invested capital measure. Awards which do not vest on the third anniversary of their award lapse.

The fair value of these awards was calculated using an appropriate simulation method to reflect the likelihood of the market-based performance conditions, which attach to half of the award, being met, using the following assumptions.

	2008	2007	2006
Expected volatility [%]	19%	20%	25%
Expected life [years]	3	3	3
Share price on date of grant [p]	240.67	199.00	148.42
Option price [p]	nil	nil	nil
Fair value per option [%]	55%	66%	46%
Fair value per option [p]	132.37	131.34	68.27

The expected volatility was determined by calculating the historic volatility of the Group's share price over the previous three years. The total charge in respect of share based payments for the year was £9,238 (2007: £3,067).

19. CASH FLOW STATEMENT AND RELATED PARTIES

The Company is a wholly owned subsidiary of Halma plc and is included in the consolidated financial statements of Halma plc which are publicly available. Consequently the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (Revised 1996).

The Company is also exempt under the terms of FRS8 from disclosing related party transactions with entities that are part of the Halma group of companies.

20. ULTIMATE PARENT COMPANY

The ultimate parent company of Radio-Tech Limited and the parent company of the only group for which consolidated accounts are prepared which include the Company is Halma plc. The accounts of Halma plc can be obtained from the Company Secretary, Misbourne Court, Rectory Way, Amersham, Bucks, HP7 0DE.