

Radio-Tech Limited

Report and Financial Statements

52 week period ended 28 March 2009

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Radio-Tech Limited

REPORT AND FINANCIAL STATEMENTS 2009

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Radio-Tech Limited

REPORT AND FINANCIAL STATEMENTS 2009

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

| | |
|-------------|-----------------------------|
| B M Back | (resigned 23 July 2008) |
| I Panesar | |
| A Asefeso | |
| J Llewellyn | (resigned 19 December 2008) |
| S Aitken | (appointed 5 January 2009) |
| A Stamper | (appointed 16 March 2009) |

SECRETARY

| | |
|-------------|--|
| Ms B Cepe | (resigned 4 April 2008) |
| J Llewellyn | (appointed 4 April 2008 and resigned 19 December 2008) |
| S Aitken | (appointed 5 January 2009) |

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 28 March 2009.

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 5% over the prior year.

The profit and loss account shows a loss before taxation of £88,935 (2008: loss £421,115) and a loss after taxation of £82,575 (2008: loss of £416,698). No interim dividend on the ordinary shares has been paid during the year (2008: £250,000). The Directors do not recommend the payment of a final dividend (2008: £nil).

The balance sheet on page 7 of the financial statements shows that the company's financial position at the period end is fairly strong, in terms of net assets. Details of amounts owed by/to its parent company are included in notes 14 & 15 on page 15.

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.

GOING CONCERN

The current economic conditions create uncertainty over the level of demand for the company's products. The company has net assets as set out in the balance sheet on page 7. After making enquiries, the directors have a reasonable expectation that despite the current economic uncertainty the company has adequate resources to continue in operational existence for the foreseeable future. In making this conclusion, the directors have considered the letter of intention to support the company received from Halma plc (the ultimate parent company) and the fact that the company has access to the Halma Group's financial resources (including a £165m 5-year revolving credit facility). Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

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.



S Aitken
Secretary

14 August 2009

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 28 March 2009 which comprise the profit and loss account, the balance sheet and the related notes 1 to 22. 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 28 March 2009 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

14 August 2009

Radio-Tech Limited

PROFIT AND LOSS ACCOUNT

For the 52 week period ended 28 March 2009

| | Note | 52 weeks ended 28 March 2009 | | 52 weeks ended 29 March 2008 | |
|--|-------|---------------------------------|---|---------------------------------|---|
| | | £ | £ | £ | £ |
| TURNOVER | 2 | 2,347,278 | | 2,457,908 | |
| Cost of sales | | (1,948,663) | | (2,364,344) | |
| Gross profit | | 398,615 | | 93,564 | |
| Distribution costs | | (25,278) | | (35,479) | |
| Administrative expenses | | (443,890) | | (468,130) | |
| | | (469,168) | | (503,609) | |
| OPERATING LOSS | 3 | (70,553) | | (410,045) | |
| Interest receivable and similar income: | | | | | |
| Bank interest receivable | | 1,917 | | 9,842 | |
| | | 1,917 | | 9,842 | |
| Interest payable and similar charges | 8 | (20,299) | | (20,912) | |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | | (88,935) | | (421,115) | |
| Tax credit on loss on ordinary activities | 7 | 6,360 | | 4,417 | |
| LOSS ON ORDINARY ACTIVITIES AFTER TAXATION | 18,20 | (82,575) | | (416,698) | |

All amounts derive from continuing operations.

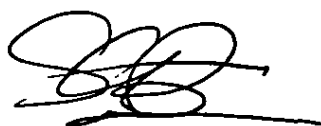
There are no other gains and losses except the loss for the period (2008: loss for the period) as noted above. Accordingly no statement of total recognised gains and losses is presented.

Radio-Tech Limited

BALANCE SHEET 28 March 2009

| | Note | 28 March 2009 | | 29 March 2008 | |
|---|------|---------------|----------|---------------|----------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Intangible assets | 11 | 106,967 | | 115,168 | |
| Tangible assets | 12 | 197,918 | | 165,610 | |
| | | | 304,885 | | 280,778 |
| CURRENT ASSETS | | | | | |
| Stocks | 13 | 308,746 | | 384,416 | |
| Debtors | 14 | 863,140 | | 1,064,645 | |
| Cash at bank and in hand | | 10,253 | | 151,820 | |
| | | 1,182,139 | | 1,600,881 | |
| CREDITORS: amounts falling due within one year | 15 | (743,902) | | (1,049,602) | |
| NET CURRENT ASSETS | | | 438,237 | | 551,279 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 743,122 | | 832,057 |
| PROVISIONS FOR LIABILITIES AND CHARGES | 16 | | (29,825) | | (36,185) |
| NET ASSETS | | | 713,297 | | 795,872 |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | | | 4 | | 4 |
| Profit and loss account | 18 | | 713,293 | | 795,868 |
| SHAREHOLDER'S FUNDS | 20 | | 713,297 | | 795,872 |

These financial statements were approved by the Board of Directors on 14 August 2009.
Signed on behalf of the Board of Directors



S Aitken
Director



I Panesar
Director

Radio-Tech Limited

NOTES TO THE ACCOUNTS

For the 52 weeks ended 28 March 2009

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.

Going concern

The current economic conditions create uncertainty over the level of demand for the company's products. The company has net assets as set out in the balance sheet on page 7. After making enquiries, the directors have a reasonable expectation that despite the current economic uncertainty the company has adequate resources to continue in operational existence for the foreseeable future. In making this conclusion, the directors have considered the letter of intention to support the company received from Halma plc (the ultimate parent company) and the fact that the company has access to the Halma Group's financial resources (including a £165m 5-year revolving credit facility). Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and 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.

NOTES TO THE ACCOUNTS (CONTINUED)
For the 52 weeks ended 28 March 2009

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 (CONTINUED) For the 52 weeks ended 28 March 2009

2. TURNOVER

Turnover for the year by geographical area was:

| | 52 weeks ended 28 March 2009 £ | 52 weeks ended 29 March 2008 £ |
|----------------|--|--|
| UK | 2,124,877 | 1,766,167 |
| France | 93,163 | 591,987 |
| Rest of Europe | 107,535 | 79,636 |
| Rest of World | 21,703 | 20,118 |
| | <u>2,347,278</u> | <u>2,457,908</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

| | 52 weeks ended 28 March 2009 £ | 52 weeks ended 29 March 2008 £ |
|--|--|--|
| Operating loss is arrived at after charging/(crediting): | | |
| Depreciation of tangible fixed assets – owned | 66,012 | 63,565 |
| Research and development | 367,913 | 440,234 |
| Auditors' remuneration - audit fees | 9,997 | 9,420 |
| Foreign exchange gain | (3,149) | (4,781) |
| Gain on disposal of fixed assets | (2,299) | - |
| Operating lease rentals – land and buildings | 77,219 | 77,386 |
| | <u>77,219</u> | <u>77,386</u> |

4. DIRECTORS' EMOLUMENTS

| | 52 weeks ended 28 March 2009 £ | 52 weeks ended 29 March 2008 £ |
|----------------------|--|--|
| Aggregate emoluments | 215,310 | 260,291 |
| Pension | 22,891 | 19,278 |
| | <u>238,201</u> | <u>279,569</u> |

The highest paid director during the year received total emoluments of £72,264 (2008: £85,574), which consisted of emoluments of £59,759 (2008: £81,830) and pension of £12,508 (2008: £3,744).

Radio-Tech Limited

NOTES TO THE ACCOUNTS (CONTINUED)

For the 52 weeks ended 28 March 2009

5. PENSIONS

The Company participates in the Halma Group Pension Plan, which has both a defined benefit pension section and a defined contribution pension section. The Company is unable to identify its share of the underlying assets and liabilities of the defined benefit section of the scheme and accordingly accounts for the scheme entirely 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 section 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 28 March 2009 by a qualified independent actuary.

The assets of the defined benefit section and the expected long-term rates of return were:

| Halma Group Pension Plan | 2009 | | 2008 | | 2007 | |
|-------------------------------------|-------|-----------------|-------|-----------------|-------|-----------------|
| | % | £'000 | % | £'000 | % | £'000 |
| Equities | 7.50% | 46,148 | 7.50% | 62,120 | 7.50% | 62,582 |
| Bonds | 6.00% | 24,209 | 5.85% | 26,497 | 5.00% | 23,676 |
| Property | 7.50% | 3,026 | 6.00% | 2,938 | 6.00% | 3,197 |
| S75 debt | | 2,269 | | 2,087 | | 3,071 |
| | | <u>75,652</u> | | <u>93,642</u> | | <u>92,525</u> |
| Total market value of assets | | 75,652 | | 93,642 | | 92,525 |
| Present value of scheme liabilities | | (111,230) | | (122,089) | | (121,824) |
| | | <u>(35,578)</u> | | <u>(28,447)</u> | | <u>(29,299)</u> |
| Deficit in the scheme | | (35,578) | | (28,447) | | (29,299) |
| Related deferred tax | | 9,962 | | 7,965 | | 8,790 |
| | | <u>(25,616)</u> | | <u>(20,482)</u> | | <u>(20,509)</u> |
| Net pension liability | | <u>(25,616)</u> | | <u>(20,482)</u> | | <u>(20,509)</u> |

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

6. EMPLOYEE INFORMATION

| | 52 weeks ended 28 March 2009 No. | 52 weeks ended 29 March 2008 No. |
|---|--|--|
| The average number of persons employed (including site-based directors) by the company during the period was: | 25 | 33 |
| Employee costs of the company (including site-based directors) comprised: | £ | £ |
| Wages and salaries | 714,710 | 1,004,175 |
| Social security costs | 75,351 | 111,868 |
| Other pension costs | 27,457 | 36,851 |
| | <u>817,518</u> | <u>1,152,894</u> |

Radio-Tech Limited

NOTES TO THE ACCOUNTS (CONTINUED)

For the 52 weeks ended 28 March 2009

7. TAX CREDIT ON LOSS ON ORDINARY ACTIVITIES

| | 52 weeks ended 28 March 2009 £ | 52 weeks ended 29 March 2008 £ |
|--|--|--|
| Current tax: | | |
| UK corporation tax on profits of the period | - | - |
| Adjustment in respect of prior periods | - | 196 |
| | - | 196 |
| Deferred tax: | | |
| Origination and reversal of timing differences | (8,025) | (1,832) |
| Effect of change in future tax rate | - | (2,585) |
| Adjustment in respect of prior periods | 1,665 | (196) |
| | (6,360) | (4,417) |
| Tax credit on loss 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 28 March 2009 £ | 52 weeks ended 29 March 2008 £ |
|--|--|--|
| Loss on ordinary activities before tax | (88,935) | (421,115) |
| Applying standard rate of UK corporation tax of 28% (2008: 30%) | (24,902) | (126,335) |
| Expenses not deductible for tax purposes | 679 | 1,151 |
| R&D tax credit | - | (5,479) |
| Other permanent differences | (1,390) | 726 |
| Capital allowances less than depreciation | 5,781 | 5,651 |
| Other timing differences | 6,096 | (3,819) |
| Group relief surrendered | 13,736 | 128,105 |
| Previous period adjustments | - | 196 |
| | - | 196 |
| Current UK corporation tax charge | | |

8. INTEREST PAYABLE AND SIMILAR CHARGES

| | 52 weeks ended 28 March 2009 £ | 52 weeks ended 29 March 2008 £ |
|-------------------------------------|--|--|
| Bank interest | 2,744 | 240 |
| Interest payable to group companies | 17,555 | 20,672 |
| | 20,299 | 20,912 |

Radio-Tech Limited

NOTES TO THE ACCOUNTS (CONTINUED)

For the 52 weeks ended 28 March 2009

9. SHARE BASED PAYMENTS

The total cost recognised in the Profit and Loss Account in respect of share-based payment schemes was £13,761 (2008: £9,238).

Share incentive plan

Shares awarded under this plan are purchased in the market by the Plan's trustees at the time of the award and are held in trust until their transfer to qualifying employees, which is conditional upon completion of three years' service. The costs of providing this plan are recognised in the profit and loss account over the three-year vesting period.

10. DIVIDENDS

| | 2009 | 2008 |
|--|------|---------|
| | £ | £ |
| Interim dividend paid on ordinary shares of £nil (2008: £62,500) per share | - | 250,000 |

11. INTANGIBLE FIXED ASSETS

| | Capitalised development costs £ |
|---------------------------------|--|
| Cost | |
| At 30 March 2008 | 115,168 |
| Additions | 17,487 |
| At 28 March 2009 | 132,655 |
| Accumulated depreciation | |
| At 30 March 2008 | - |
| Charge for the period | 25,688 |
| At 28 March 2009 | 25,688 |
| Net book value | |
| At 28 March 2009 | 106,967 |
| At 29 March 2008 | 115,168 |

Radio-Tech Limited

NOTES TO THE ACCOUNTS (CONTINUED) For the 52 weeks ended 28 March 2009

12. TANGIBLE FIXED ASSETS

| | Plant, equipment and motor vehicles £ |
|---------------------------------|--|
| Cost or valuation | |
| At 30 March 2008 | 413,586 |
| Additions | 101,521 |
| Disposals | (35,703) |
| | <hr/> |
| At 28 March 2009 | 479,404 |
| Accumulated depreciation | |
| At 30 March 2008 | 247,976 |
| Disposals | (32,502) |
| Charge for the period | 66,012 |
| | <hr/> |
| At 28 March 2009 | 281,486 |
| Net book value | |
| At 28 March 2009 | <hr/> 197,918 <hr/> |
| At 29 March 2008 | <hr/> 165,610 <hr/> |

13. STOCKS

| | 28 March 2009 £ | 29 March 2008 £ |
|-------------------------------|-----------------------|-----------------------|
| Raw materials and consumables | 306,731 | 371,114 |
| Work in progress | 2,015 | 13,302 |
| | <hr/> 308,746 <hr/> | <hr/> 384,416 <hr/> |

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

Radio-Tech Limited

NOTES TO THE ACCOUNTS (CONTINUED) For the 52 weeks ended 28 March 2009

14. DEBTORS

| | 28 March 2009 £ | 29 March 2008 £ |
|----------------------------------|-----------------------|-----------------------|
| Trade debtors | 335,273 | 404,097 |
| Amounts due from group companies | 195,354 | 539,925 |
| Prepayments and accrued income | 332,513 | 120,623 |
| | <u>863,140</u> | <u>1,064,645</u> |

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 28 March 2009 £ | 29 March 2008 £ |
|------------------------------------|-----------------------|-----------------------|
| Bank overdraft | 99,234 | - |
| Trade creditors | 233,735 | 439,889 |
| Amounts due to group companies | 230,478 | 317,838 |
| Other taxation and social security | 34,033 | 60,273 |
| Corporation tax payable | 35,714 | 72,451 |
| Other creditors | 14,747 | 49,750 |
| Accruals and deferred income | 95,961 | 109,401 |
| | <u>743,902</u> | <u>1,049,602</u> |

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

16. PROVISIONS FOR LIABILITIES AND CHARGES

| Deferred taxation | 28 March 2009 £ | 29 March 2008 £ |
|---------------------------------------|-----------------------|-----------------------|
| Accelerated capital allowances | 997 | 5,277 |
| Other timing differences | 28,828 | 30,908 |
| Provision for liabilities and charges | <u>29,825</u> | <u>36,185</u> |

The movement on deferred taxation comprises:

| | £ |
|----------------------|----------------|
| At 30 March 2008 | 36,185 |
| Utilised in the year | <u>(6,360)</u> |
| At 28 March 2009 | <u>29,825</u> |

Radio-Tech Limited

NOTES TO THE ACCOUNTS (CONTINUED)

For the 52 weeks ended 28 March 2009

17. FINANCIAL COMMITMENTS

Capital expenditure authorised and contracted at 28 March 2009, but not provided in these accounts amounts to £nil (2008: £nil).

Operating lease commitments:

At 28 March 2009 the company had annual commitments under non-cancellable operating leases expiring as follows:

| | Land and buildings | |
|--------------------------|---------------------------|--------------------------|
| | 28 March 2009 | 29 March 2008 |
| | £ | £ |
| Within one year | 85,428 | 85,428 |
| Within two to five years | 122,408 | 207,836 |
| | <u>207,836</u> | <u>293,264</u> |

18. RESERVES

| | Profit and loss account £ |
|-------------------------------|--|
| At 30 March 2008 | 795,868 |
| Loss for the financial period | (82,575) |
| | <u>713,293</u> |
| At 28 March 2009 | |

19. CALLED UP SHARE CAPITAL

| | 28 March 2009 | 29 March 2008 |
|--|--------------------------|--------------------------|
| | £ | £ |
| Authorised 1,000 ordinary shares of £1 each | <u>1,000</u> | <u>1,000</u> |
| Called up, allotted and fully paid 4 ordinary shares of £1 each | <u>4</u> | <u>4</u> |

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

| | 28 March 2009 | 29 March 2008 |
|--------------------------------------|--------------------------|--------------------------|
| | £ | £ |
| Loss for the financial period | (82,575) | (416,698) |
| Dividends paid | - | (250,000) |
| | <u>(82,575)</u> | <u>(666,698)</u> |
| Net additions to shareholder's funds | 795,872 | 1,462,570 |
| Brought forward shareholder's funds | | |
| | <u>713,297</u> | <u>795,872</u> |

Radio-Tech Limited

NOTES TO THE ACCOUNTS (CONTINUED)

For the 52 weeks ended 28 March 2009

21. 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.

22. 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.