

FTSS Finance Limited

Report and Financial Statement

Period ended 30 April 2007



REPORT AND FINANCIAL STATEMENTS 2007

CONTENTS	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	3
Independent auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the accounts	7

REPORT AND FINANCIAL STATEMENTS 2007

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

T Harris
T Gutwald (resigned 30 March 2007)
D Unkel (appointed 14 May 2007, resigned 3 September 2007)
C O'Connor (appointed 3 September 2007)

SECRETARY

T Harris

REGISTERED OFFICE

5 Percy Street
Office 5
London
W1T 1DG

BANKERS

HSBC plc
Poultry and Princes Street
PO Box 648
London
EC2P 2BX

SOLICITORS

Weil, Gotshal & Manges
One South Place
London
EC2M 2WG

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
Reading

FTSS Finance Limited

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the period ended 30 April 2007. This report has been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985.

PRINCIPAL ACTIVITY

The company's principal activity is to provide services to other group companies. The directors do not envisage any change in the company's activities.

RESULTS AND DIVIDENDS

The profit for the period after taxation was £893,002 (2006 £124,930). The directors do not recommend the payment of a dividend (2006 £nil).

On 19 May 2007, the company's ultimate parent company, FTSA Holdings Limited, was acquired by HG Capital Ltd.

DIRECTORS

The directors who served during and subsequent to the period were as follows:

T Gutwald (resigned 30 March 2007)

T Harris

D Unkel (appointed 14 May 2007, resigned 3 September 2007)

C. O'Connor (appointed 3 September 2007)

AUDITORS

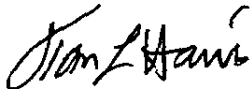
Each of the persons who is a director of the company at the date of approval of this report confirms that:

- 1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- 2) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of the 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 and Touche LLP have expressed their willingness to continue in office as auditors of the Company and in accordance with Section 385 of the Companies Act 1985, a resolution to reappoint them will be proposed at the Annual General Meeting.

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



T Harris

Director

25 July, 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, 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 FTSS FINANCE LIMITED

We have audited the financial statements of FTSS Finance Limited for the period ended 30 April 2007 which comprise the profit and loss account, the balance sheet, and the related notes 1 to 12. 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

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom 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

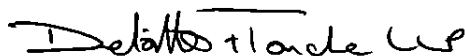
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 30 April 2007 and of its profit for the period 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 & Touche LLP
Chartered Accountants and Registered Auditors

Reading, United Kingdom

24 July 2008

PROFIT AND LOSS ACCOUNT

Period from 26 March 2006 to 30 April 2007

	Note	Period ended 30 April 2007 £	Period ended 25 March 2006 £
Administrative expenses		(15,800)	(69)
OPERATING LOSS		(15,800)	(69)
Finance income (net)	2	1,288,383	178,541
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,272,583	178,472
Tax on profit on ordinary activities	5	(379,581)	(53,542)
RETAINED PROFIT FOR THE PERIOD	9	893,002	124,930

There are no recognised gains or losses other than the profit for the respective periods. Accordingly, a statement of total recognised gains and losses has not been presented.

All results are derived from continuing operations.

FTSS Finance Limited

BALANCE SHEET
30 April 2007

	Note	30 April 2007 £	25 March 2006 £
CURRENT ASSETS			
Debtors	6	25,404,620	2,650,000
Cash at bank and in hand		-	1,760,794
CURRENT ASSETS		<u>25,404,620</u>	<u>4,410,794</u>
CREDITORS: amounts falling due within one period	7	(426,942)	(31,561)
NET ASSETS		<u>24,977,678</u>	<u>4,379,233</u>
CAPITAL AND RESERVES			
Called up share capital	8	6,370,757	4,013,454
Share premium		17,348,140	-
Profit and loss account	9	1,258,781	365,779
SHAREHOLDERS' FUNDS	10	<u>24,977,678</u>	<u>4,379,233</u>

These financial statements were approved by the Board of Directors on 25 July, 2008

Signed on behalf of the Board of Directors



T Harris

Director

NOTES TO THE ACCOUNTS

Period ended 30 April 2007

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below. They have all been applied consistently throughout the period and preceeding period.

Accounting convention

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The company has utilised the exemption provided under Financial Reporting Standard No. 1 as a small company and has not presented a cash flow statement.

Taxation

UK corporation tax is provided 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 taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. FINANCE INCOME (NET)

	Period ended 30 April 2007 £	Period ended 25 March 2006 £
Interest receivable on loan to ultimate parent undertaking	875,203	46,940
Interest receivable on loan to group undertaking	389,020	131,722
Other interest income/(expense)	24,160	(121)
	<u>1,288,383</u>	<u>178,541</u>

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Auditors' fees of £15,800 have been charged in the current period (2006 - borne by another group company).

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The company had no employees during the period under review (2006 - nil) other than the directors. No director received or waived any emoluments during the period in respect of their services to the company (2006 - £nil). None of the directors' emoluments paid by other group companies were allocated to the company (2006 - £nil).

NOTES TO THE ACCOUNTS

Period ended 30 April 2007

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	Period ended 30 April 2006 £	Period ended 25 March 2006 £
Current tax		
UK corporation tax – current period	379,581	53,542

The total current tax equals the amount calculated by applying the standard rate of UK corporate tax of 30% to the profit before tax

There is no provided or unprovided deferred tax

6. DEBTORS

	30 April 2007 £	25 March 2006 £
Amounts owed by parent undertaking	875,203	-
Amounts owed by group undertaking	24,529,417	2,650,000
	<u>25,404,620</u>	<u>2,650,000</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 April 2007 £	25 March 2006 £
Amounts owed to parent undertaking	92,285	-
Amounts owed to group undertakings	290,841	-
Corporate tax	31,541	31,561
Other creditors	12,275	-
	<u>426,942</u>	<u>31,561</u>

NOTES TO THE ACCOUNTS

Period ended 30 April 2007

8. CALLED UP SHARE CAPITAL

	30 April 2007 £	25 March 2006 £
Authorised 10,000,000 ordinary shares of £1 each	<u>10,000,000</u>	<u>10,000,000</u>
Called up, allotted and fully paid 6,370,757 ordinary shares of £1 each	<u>6,370,757</u>	<u>4,013,454</u>
The company issued 2,357,303 ordinary shares at £1 each during the period for consideration of £19,705,443		

9. RESERVES

	Share premium account £	Profit and loss account £
At 25 March 2006	-	365,779
Retained profit for the period	-	893,002
Shares issued in the period	<u>17,348,140</u>	<u>-</u>
At 30 April 2007	<u>17,348,140</u>	<u>1,258,781</u>

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30 April 2007 £	25 March 2006 £
Profit for the financial period	893,002	124,930
Issue of ordinary share capital	2,357,303	1,005,126
Share premium paid	<u>17,348,140</u>	<u>-</u>
Net addition to shareholders' funds	20,598,445	1,130,056
Opening shareholders' funds	<u>4,379,233</u>	<u>3,249,177</u>
Closing shareholders' funds	<u>24,977,678</u>	<u>4,379,233</u>

NOTES TO THE ACCOUNTS

Period ended 30 April 2007

11. ULTIMATE PARENT COMPANY

As at the period end, the immediate parent undertaking was First Technology Safety Systems Japan a company registered in Japan. The company is consolidated within the results of FTSA Holdings Ltd and this is the smallest group in which the results of the company are included.

As at the date of these financial statements, the immediate parent company is FT Safety Holdings Limited, a company registered in England & Wales. The directors consider that the ultimate parent company and controlling party is FTSA Holdings Limited, a company registered in England and Wales.

12. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption permitted by Financial Reporting Standard No 8, Related Party Disclosures, and not disclosed transactions with group companies.