

RED DOT TECHNOLOGIES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

Company Registration Number 04530762



RED DOT TECHNOLOGIES LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

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RED DOT TECHNOLOGIES LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 DECEMBER 2011

The board of directors	C Kopoulos (USA) E Wiseman (USA)
Business address	Unit 31 Springvale Industrial Estate Cwmbran Gwent NP44 5BD
Registered office	Unit 31 Springvale Industrial Estate Cwmbran Gwent NP44 5BD
Auditor	RSM Tenon Audit Limited Davidson House Forbury Square Reading Berkshire RG1 3EU

RED DOT TECHNOLOGIES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2011

The directors present their report and the financial statements of the Company for the year ended 31 December 2011

Principal activities

The principal activity of the Company during the year was that of a holding company. The Company generates royalty income from its subsidiary undertakings from the licensing of patents and trademarks held.

Director

The directors who served the Company during the year and subsequently were as follows:

J Moore (USA)

C Kopoulos (USA) was appointed as a director on 3 July 2012

E Wiseman (USA) was appointed as a director on 3 July 2012

J Moore (USA) resigned as a director on 21 June 2012

Directors' responsibilities

The directors are responsible for preparing the Directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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, 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

In so far as the directors are, individually, aware:

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

RED DOT TECHNOLOGIES LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2011

Auditor

A resolution to reappoint RSM Tenon Audit Limited as auditors for the ensuing year will be proposed at the forthcoming annual general meeting

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed on behalf of the directors

A handwritten signature in black ink, appearing to be 'E D Wiseman', with a long horizontal flourish extending to the right.

E D Wiseman (USA)

Director

Approved by the directors on

~~9/11/12~~

11/9/2012

RED DOT TECHNOLOGIES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RED DOT
TECHNOLOGIES LIMITED
YEAR ENDED 31 DECEMBER 2011

We have audited the financial statements of Red Dot Technologies Limited for the year ended 31 December 2011 on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

RED DOT TECHNOLOGIES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RED DOT
TECHNOLOGIES LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2011

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime

Jeremy Filley, Senior Statutory Auditor
For and on behalf of



RSM Tenon Audit Limited
Statutory Auditor
Davidson House
Forbury Square
Reading
Berkshire
RG1 3EU

17/2/12

RED DOT TECHNOLOGIES LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2011

	Note	2011 £	2010 £
Turnover		203,935	229,767
Administrative expenses		(26,286)	(489,912)
Operating profit/(loss)	2	<u>177,649</u>	<u>(260,145)</u>
Attributable to			
Operating profit before exceptional items		177,649	168,161
Exceptional items	2	<u>—</u>	<u>(428,306)</u>
		177,649	(260,145)
Interest receivable		—	153
Interest payable and similar charges		(2,488)	(2,678)
Profit/(loss) on ordinary activities before taxation		<u>175,161</u>	<u>(262,670)</u>
Tax on profit/(loss) on ordinary activities	5	<u>—</u>	<u>(33,468)</u>
Profit/(loss) for the financial year		<u><u>175,161</u></u>	<u><u>(296,138)</u></u>

The notes on pages 8 to 13 form part of these financial statements

RED DOT TECHNOLOGIES LIMITED

Registered Number 04530762

BALANCE SHEET**31 DECEMBER 2011**

	Note	2011 £	£	2010 £	£
Fixed assets					
Intangible assets	6		61,368		71,733
Tangible assets	7		—		2,687
Investments	8		1,025		1,025
			<u>62,393</u>		<u>75,445</u>
Current assets					
Debtors	9	398,939		1,298,060	
Cash at bank		17		36	
		<u>398,956</u>		<u>1,298,096</u>	
Creditors: Amounts falling due within one year	10	<u>(101,645)</u>		<u>(1,141,556)</u>	
Net current assets			297,311		156,540
Total assets less current liabilities			<u>359,704</u>		<u>231,985</u>
Creditors: Amounts falling due after more than one year	11		—		(47,593)
			<u>359,704</u>		<u>184,392</u>
Capital and reserves					
Called-up share capital	13		1,176		1,025
Share premium account	14		91,928		91,928
Profit and loss account	15		266,600		91,439
Shareholders' funds			<u>359,704</u>		<u>184,392</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on ,
and are signed on their behalf by



E Wiseman (USA)

9/10/12 11/9/2012

The notes on pages 8 to 13 form part of these financial statements

RED DOT TECHNOLOGIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Under section 400 of the Companies Act 2006 the company is exempt from preparing consolidated financial statements because it is a subsidiary of Fike Holdings United Kingdom Ltd, a company registered in an EEA state, and that company prepares and files consolidated financial statements which meet the conditions set out in section 400. Therefore the financial statements present information about the company as an individual undertaking and not about its group.

Cash flow statement

As the Company is a wholly owned subsidiary of Fike Holdings United Kingdom Ltd, and whose accounts, which include a cash flow statement, are available from Companies House, it is exempt from the requirements to present a cash flow statement.

Turnover

Turnover represents royalties received in relation to income generated from the licence of patents and trademarks owned.

Fixed asset investments

Fixed asset investments are stated at historical cost less provisions for any permanent diminution in value.

As part of the rationalisation in prior years, the trade and net assets of Santana Solutions Limited, the Company's subsidiary, was transferred to fellow subsidiary Fike Safety Technology Ltd at their book value not recognising goodwill associated with the trade. As a result of this transfer, the net assets of Santana Solutions Limited are lower than the carrying value of the investment held by the Company. However, as the trade and net assets have not been transferred outside the group, the director considers it would not provide a true and fair view to recognise an impairment and instead re-allocated the balance to goodwill.

Intangible fixed assets

Intangible fixed assets acquired separately from a business are capitalised at cost. Intangible assets created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred.

Amortisation is provided on intangible fixed assets so as to write off the cost over their expected useful economic life, from the commencement of the generation of revenue streams, as follows:

Patents and trademarks	10 years
Goodwill	10 years

The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

RED DOT TECHNOLOGIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

1. Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Motor vehicles - 25% straight line basis

Taxation

The tax charge is based on the results for the year.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it 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 assets and liabilities recognised have not been discounted.

Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting)

	2011	2010
	£	£
Amortisation of intangible fixed assets	10,365	57,955
Impairment of intangible fixed assets	-	428,306
Depreciation of owned tangible fixed assets	2,687	5,750
Profit on disposal of tangible fixed assets	-	(4,100)
Exceptional items	-	428,306

Exceptional items relate to the impairment of intangible assets of £Nil (2010 - £428,306)

3. Auditors remuneration

The Company's audit fee for the period ended 31 December 2011 has been borne by its subsidiary undertaking, Fike Safety Technology Ltd. Remuneration for non-audit services paid to the auditors during the period is disclosed in the group financial statements of the Company's parent company, Fike Holdings United Kingdom Ltd.

4. Directors' emoluments

No emoluments were paid to the directors during the period (2010 - £Nil)

RED DOT TECHNOLOGIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

5 Taxation on ordinary activities

(a) Analysis of charge in the year

	2011 £	2010 £
UK Corporation tax	-	<u>33,468</u>

(b) Factors that may affect future tax charges

The group of which the Company is a member has taxable losses available to set against future profits

6. Intangible fixed assets

	Goodwill £	Patents and trademarks £	Total £
Cost			
At 1 January 2011 and 31 December 2011	<u>475,896</u>	<u>103,648</u>	<u>579,544</u>
Amortisation			
At 1 January 2011	475,896	31,915	507,811
Charge for the year	-	<u>10,365</u>	<u>10,365</u>
At 31 December 2011	<u>475,896</u>	<u>42,280</u>	<u>518,176</u>
Net book value			
At 31 December 2011	-	<u>61,368</u>	<u>61,368</u>
At 31 December 2010	-	<u>71,733</u>	<u>71,733</u>

7. Tangible fixed assets

	Motor Vehicles £
Cost	
At 1 January 2011 and 31 December 2011	<u>23,000</u>
Depreciation	
At 1 January 2011	20,313
Charge for the year	<u>2,687</u>
At 31 December 2011	<u>23,000</u>
Net book value	
At 31 December 2011	-
At 31 December 2010	<u>2,687</u>

RED DOT TECHNOLOGIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

8. Investments

	<i>Shares in group undertakings £</i>
Cost	
At 1 January 2011 and 31 December 2011	<u>1,025</u>
Net book value	
At 31 December 2011 and 31 December 2010	<u>1,025</u>

The Company holds more than 20% of the share capital of the following companies

100% Ordinary share capital in Santana Solutions Limited, incorporated in England and Wales
Santana Solutions Limited is a dormant company

100% Ordinary share capital in Fike Safety Technology Ltd, incorporated in England and Wales
The principal activity of the company is that of manufacture and retail of fire detection and alarm systems

	Capital & reserves £	Loss for the period £
Subsidiary undertakings		
- Santana Solutions Limited	100	-
- Fike Safety Technology Ltd	(795,443)	(577,001)

9. Debtors

	2011 £	2010 £
Amounts owed by group undertakings	381,843	1,298,060
Corporation tax repayable	16,734	-
VAT recoverable	362	-
	<u>398,939</u>	<u>1,298,060</u>

10. Creditors: Amounts falling due within one year

	2011 £	2010 £
Bank loans	-	27,524
Trade creditors	4,592	823
Amounts owed to group undertakings	97,053	1,079,590
Corporation tax	-	33,468
Shares classed as financial liabilities	-	151
	<u>101,645</u>	<u>1,141,556</u>

RED DOT TECHNOLOGIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

11 Creditors: Amounts falling due after more than one year

	2011 £	2010 £
Bank loans	—	<u>47,593</u>

The bank loans are secured by a fixed and floating charge over all assets of the company both present and future

12. Contingencies

The Company has entered into cross guarantees to the group's bank in respect of the group's undertakings. At 31 December 2011 the contingent liability in respect of group borrowings was £Nil (2010 - £240,144)

13. Share capital

Allotted, called up and fully paid:

	2011 No	£	2010 No	£
102,451 Ordinary shares of £0.01 each	102,451	1,025	102,451	1,025
15,131 Preference shares of £0.01 each	<u>15,131</u>	<u>151</u>	<u>15,131</u>	<u>151</u>
	<u>117,582</u>	<u>1,176</u>	<u>117,582</u>	<u>1,176</u>

Amounts presented in equity:

102,451 (2010 – 102,451) Ordinary shares of £0.01 each	1,025	1,025
15,131 (2010 – Nil) Preference shares of £0.01 each	151	-
	<u>1,176</u>	<u>1,025</u>

Amounts presented in liabilities:

Nil (2010 – 15,131) Preference shares of £0.01 each	-	151
	<u>-</u>	<u>151</u>

The Ordinary shares and the Preference shares give the holders equal rights to receive notice of, attend and vote at any general meeting of the company

On winding up, the Preference shares shall rank in priority over the Ordinary shares in respect of any outstanding dividends, and in the event of a return of capital, liquidation, winding up or otherwise

RED DOT TECHNOLOGIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011

13. Share capital (continued)

The Preference shares may be converted into an equal number of fully paid Ordinary shares at the discretion of the holder

The Preference shares carry the right to cumulative, preferential net cash dividends equivalent to 5% of profits after tax for the financial year

Rights to cumulative preferential net cash dividends, noted above, have been waived by the sole shareholder of the Preference shares and hence the Preference shares have been classed as equity shares in the current year

14. Share premium account

There was no movement on the share premium account during the financial year

15 Profit and loss account

	2011	2010
	£	£
Balance brought forward	91,439	387,577
Profit/(loss) for the financial year	175,161	(296,138)
Balance carried forward	<u>266,600</u>	<u>91,439</u>

16. Related parties

Controlling entity

The directors regard Fike Holdings United Kingdom Ltd, a company registered in England and Wales, as the immediate parent company. The directors regard Fike Corporation, a company registered in the United States of America as the ultimate parent company. According to the register kept by the company, Fike Corporation has a 100% interest in the equity capital of Fike Holdings United Kingdom Ltd at 31 December 2011. Fike Corporation is controlled by Lester L Fike Jr, who owns 18.56% of the issued share capital of the company.

Related party transactions

As discussed above, the company is a wholly owned subsidiary. It has therefore taken advantage of the exemptions available to it under Financial Reporting Standard 8 Related Party Transactions (FRS8) not to disclose transactions occurring with related parties within the group where 100% of the voting rights are controlled by the group.