Company Registration No. 2823715

Comstack Limited

Report and Financial Statements

25 March 2006

Comstack Limited

REPORT AND FINANCIAL STATEMENTS 2006

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OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

KD Breen (resigned 24/3/2006)
OG Burns (resigned 24/3/2006)
JG Wood (resigned 24/3/2006)
D DeMeo (appointed 24/3/2006)
A Richards (appointed 24/3/2006)
J Tus (appointed 24/3/2006)
J Rhodes (appointed 24/2/2006, resigned 1/6/2006)

SECRETARY

J Rhodes (resigned 1/6/2006)
EPS Secretaries Limited (appointed 1/6/2006)

REGISTERED OFFICE

Honeywell House
Arlington Business Park
Bracknell
Berkshire
RG12 1EB

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
Reading

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the period ended 25 March 2006 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 AND BUSINESS REVIEW

The company's principal activity is to operate as a holding company

RESULTS AND DIVIDENDS

The profit for the period after taxation, amounted to £6,500,000 (2005 £8,000,000) An interim dividend of £6,500,000 (2005 £9,500,000) was paid during the period The directors do not recommend the payment of a final dividend (2005 £nil)

On 24 March 2006, the company's former ultimate parent company, First Technology PLC, was acquired by Honeywell Acquisitions II Limited, a wholly owned subsidiary company of Honeywell International Inc

DIRECTORS AND THEIR INTERESTS

The directors who served during the period were as disclosed on page 1

No director had an interest in the shares of the company

Each of the persons who is a director 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/she ought to have taken as a director in order to make himself/herself 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

AUDITORS

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

A Richards

Director

8 June 2007

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 as at the end of the financial year 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 judgements and estimates that are reasonable and prudent,
- state whether applicable 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985 They are also responsible for the system of internal control, 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 COMSTACK LIMITED

We have audited the financial statements of City Technology Limited for the period ended 25 March 2006, which comprise the profit and loss account, the balance sheet and the related notes 1 to 14 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 law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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, in accordance with the relevant financial reporting framework, and are properly prepared in accordance with the Companies Act 1985 We report to you whether in our opinion the information given in the directors' report is consistent with the financial statements We also 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 or material inconsistencies with the financial statements

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

Qualified opinion arising from disagreement about accounting treatment

As explained in note 1, the financial statements of the company do not include consolidated financial statements for its group as required by s227 Companies Act 1985 and Financial Reporting Standard 2 "Accounting for Subsidiary Undertakings" As a consequence, the financial statements do not give the information required by generally accepted accounting practice about the economic activities of the group of which the company is the parent It is not practicable to quantify the effects of this departure Accordingly, in our opinion, a true and fair view of the group is not given

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 25 March 2006 and of its profit for the period then ended,
- except for the fact that consolidated financial statements have not been prepared, 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

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors

Reading, United Kingdom 19.06.2007

PROFIT AND LOSS ACCOUNT
Period 1 May 2005 to 25 March 2006

	Note	1 May 2005 to 25 March 2006 £'000	Year ended 30 April 2005 £'000
Income from shares in group companies		6,500	8,000
Profit on ordinary activities before and after taxation	2, 4	6,500	8,000
Dividends	5	(6,500)	(9,500)
Retained loss for the financial year	10	-	(1,500)

All results are derived from continuing operations

The company has no recognised gains or losses for the current period or preceding year other than as shown in the profit and loss account above Accordingly no statement of total recognised gains and losses is presented

BALANCE SHEET
25 March 2006

	Note	25 March 2006 £'000	30 April 2005 £'000
FIXED ASSETS			
Investments	6	24,396	24,396
CURRENT ASSETS			
Debtors	7	3,555	3,555
CREDITORS: amounts falling due within one year	8	(18,989)	(18,989)
NET CURRENT LIABILITIES		(15,434)	(15,434)
NET ASSETS		8,962	8,962
CAPITAL AND RESERVES			
Called up share capital	9	120	120
Share premium account	10	8,192	8,192
Profit and loss account	10	650	650
SHAREHOLDERS' FUNDS		8,962	8,962

These financial statements were approved by the Board of Directors on 8th June June 2007

Signed on behalf of the Board of Directors

A Richards

Director

NOTES TO THE ACCOUNTS
Period ended 25 March 2006

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 current period and preceding year

Basis of accounting

The financial statements have been prepared under the historical cost convention

Investments

Investments in subsidiary undertakings are stated at cost less provision for impairment

The company has not prepared group accounts on the grounds that in future the company will be included within the group accounts of Honeywell International Inc - prepared and audited in the United States The directors believe that group accounts at the United Kingdom level would not provide useful information to the members and that the time and expense involved in preparing these accounts would be excessive

Accordingly, these financial statements present information about the company as an individual undertaking and not as a group

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. PROFIT AND LOSS ACCOUNT

The company did not trade during either the current or preceding financial period Auditors' fees for both periods were borne by other group companies

3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The company had no employees during the period under review (2005 nil) other than the directors The directors received or waived no emoluments during the period in respect of their services to the company (2005 £nil) None of the directors' emoluments paid by other group companies were allocated to the company (2005 £nil)

4. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

There is no tax charge arising on the profit on ordinary activities (2005 £nil)

Deferred tax

Deferred tax asset arising on tax losses available of £18,000 (2005 £18,000) has not been recognised because in the opinion of the directors there will not be sufficient taxable profits in the future to offset those losses

NOTES TO THE ACCOUNTS
Period ended 25 March 2006

4. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

The difference between the total current tax stated above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	25 March 2006 £'000	Year ended 30 April 2005 £'000
Profit on ordinary activities before tax	6,500	8,000
Tax on profit on ordinary activities at standard UK corporation tax rate of 30%	1,950	2,400
Effects of		
Dividend income on which no UK tax arises	(1,950)	(2,400)
Current tax charge for the period	-	-

5. DIVIDENDS PAID

	25 March 2006 £'000	Year ended 30 April 2005 £'000
Dividends on ordinary shares		
Dividends paid (54 1p per share, 2005 79 1p per share)	6,500	9,500

6. INVESTMENTS

Subsidiary undertaking

	25 March 2006 £'000	Year ended 30 April 2005 £'000
Investment in subsidiary undertaking at cost	24,396	24,396

The company owns 100% of the ordinary share capital of City Technology Limited, registered in England and Wales City Technology Limited's principal activity is the design, research into and development of, marketing and manufacture of gas sensors

7. DEBTORS

	25 March 2006 £'000	Year ended 30 April 2005 £'000
Amounts owed by group undertakings	3,555	3,555

NOTES TO THE ACCOUNTS
Period ended 25 March 2006

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	25 March 2006 £'000	Year ended 30 April 2005 £'000
Bank overdraft	1,500	1,500
Amounts owed to group undertakings	17,489	17,489
	18,989	18,989

9. CALLED UP SHARE CAPITAL

	25 March 2006 £'000	Year ended 30 April 2005 £'000
Authorised		
12,004,246 ordinary shares of 1p each	120	120
Called up, allotted and fully paid		
12,004,246 ordinary shares of 1p each	120	120

10. RESERVES

	Share premium account £'000	Profit and loss account £'000
At 30 April 2005	8,192	650
Retained profit for the year	-	-
At 25 March 2006	8,192	650

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	25 March 2006 £'000	Year ended 30 April 2005 £'000
Profit for the financial period	6,500	8,000
Dividends	(6,500)	(9,500)
Net reduction to shareholders' funds	-	(1,500)
Opening shareholders' funds	8,962	10,462
Closing shareholders' funds	8,962	8,962

NOTES TO THE ACCOUNTS
Period ended 25 March 2006

12. CONTINGENT LIABILITIES

The company, together with various other companies in the First Technology group, has jointly and severally guaranteed the bank loans and overdrafts of its parent and fellow subsidiary undertakings At the year end the total amount of the loans and overdrafts guaranteed by all the group's guarantors was £118,361,459 (2005 £102,679,000)

13. ULTIMATE PARENT COMPANY

The immediate parent undertaking is City Technology Holdings Limited, a company registered in England and Wales

The ultimate parent undertaking and controlling party of the smallest and largest group to consolidate these accounts is Honeywell International Inc , a company registered in the USA Copies of that company's financial statements can be obtained from Honeywell International Inc , 101 Columbia Road, PO Box 2245, Morristown NJ 07962-2245, USA

14. RELATED PARTY TRANSACTIONS

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