

UTC Fire & Security Corporation

**Schedule of Expenditures of State Financial
Assistance for the Quick Action Closing Fund
(CSFA No. 31.009)
December 31, 2010**

UTC Fire & Security Corporation

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December 31, 2010

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Report of Independent Certified Public Accountants

To the Board of Directors of
UTC Fire & Security Corporation

In our opinion, the accompanying schedule of expenditures of state financial assistance for the Quick Action Closing Fund (CSFA No. 31.009) presents fairly, in all material respects, the expenditures of state financial assistance of UTC Fire & Security Corporation (the "Company") for the year ended December 31, 2010, in conformity with accounting principles generally accepted in the United States of America. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit of this statement in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and Section 215.97, Florida Statutes. Those standards and Section 215.97, Florida Statutes, require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

A handwritten signature in black ink that reads "PricewaterhouseCoopers 22P". The signature is written in a cursive, flowing style.

September 27, 2011

UTC Fire & Security Corporation
Schedule of Expenditures of State Financial Assistance
Year Ended December 31, 2010

Program Title	CSFA Number	Expenditures
Executive Office of the Governor: Quick Action Closing Fund	31.009	<u>\$ 625,000</u>
Total		<u>\$ 625,000</u>

The accompanying note is an integral part of this Schedule of Expenditures of State Financial Assistance.

UTC Fire & Security Corporation
Note to Schedule of Expenditures of State Financial Assistance
December 31, 2010

1. Basis of Presentation

The schedule of expenditures of state financial assistance (the "Schedule") provides a summary of the grant activity for which UTC Fire & Security Corporation (the "Company") has received certain financial assistance provided by the state of Florida for the year ended December 31, 2010.

The Schedule is prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States. The information in this schedule is presented in accordance with the requirements of Section 215.97, Florida Statutes.

Because the Schedule presents only a selected portion of the results of operations of the Company, it is not intended to and does not present either the financial position or results of operations of the Company.

The Quick Action Closing Fund (CSFA No 31.009) requires the Company to create 45 full-time positions and invest \$15 million in its facilities within the state of Florida by December 31, 2013, and maintain those full-time positions and investments in facilities through December 31, 2016. The Company must report to the state of Florida its compliance with these requirements annually through January 31, 2017.



Report of Independent Certified Public Accountants on Compliance with Requirements That Could Have a Direct and Material Effect on the Quick Action Closing Fund (CSFA No. 31.009) and on Internal Control Over Compliance in Accordance with Section 215.97, Florida Statutes

To the Board of Directors of
UTC Fire & Security Corporation

Compliance

We have audited the compliance of UTC Fire & Security Corporation (the "Company") with the types of compliance requirements described in the Executive Office of the Governor's State Projects Compliance Supplement that could have a direct and material effect on the Quick Action Closing Fund (CSFA No. 31.009) for the year ended December 31, 2010. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major state financial assistance program is the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Section 215.97, Florida Statutes. Those standards and Section 215.97, Florida Statutes, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the Quick Action Closing Fund (CSFA No. 31.009) occurred. An audit includes examining, on a test basis, evidence about the Company's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Company's compliance with those requirements.

In our opinion, the Company complied, in all material respects, with the requirements referred to above that could have a direct and material effect on the Quick Action Closing Fund (CSFA No. 31.009) for the year ended December 31, 2010.



Internal Control Over Compliance

Management of the Company is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to state financial assistance programs. In planning and performing our audit, we considered the Company's internal control over compliance with the requirements that could have a direct and material effect on the Quick Action Closing Fund (CSFA No. 31.009) in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with Section 215.97, Florida Statutes, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a state financial assistance program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state financial assistance program will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Directors, management, others within the entity, and the state awarding agency and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "PricewaterhouseCoopers 22P".

September 27, 2011

UTC Fire & Security Corporation
Schedule of Findings and Questioned Costs
Year Ended December 31, 2010

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor's report issued: Unqualified
 Internal control over financial reporting:
 Material weaknesses identified? Yes No
 Significant deficiencies identified that are not considered to be material weaknesses? Yes None reported
 Noncompliance material to the financial statements noted? Yes No

State Financial Assistance

Internal control over major program:
 Material weaknesses identified? Yes No
 Significant deficiencies identified that are not considered to be material weaknesses? Yes None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 215.97, Florida Statutes? Yes No

Identification of major program (program specific audit):

CSFA Number	Name of State Program
31.009	Quick Action Closing Fund

Section II – Financial Statement Findings

None noted.

Section III – State Award Findings and Questioned Costs

This section identifies significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, related to the audit of major state programs, as required to be reported by Section 215.97, Florida Statutes.

There were no findings required to be reported and we did not issue a management letter.