

Securicor (1996) plc

FINANCIAL STATEMENTS

for the year to 30 September 2003



Securicor (1996) plc

DIRECTORS AND OFFICERS

DIRECTORS

NP Buckles
ILE Cowden
TL Dighton
NE Griffiths

SECRETARY

NE Griffiths

REGISTERED OFFICE

Sutton Park House
15 Carshalton Road
Sutton
Surrey SM1 4LD

AUDITORS

Baker Tilly
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

Securicor (1996) plc

DIRECTORS' REPORT

The directors submit their report and the financial statements of Securicor (1996) plc for the year ended 30 September 2003.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of an investment holding company.

REVIEW OF THE BUSINESS

During the year, the company wrote off £77,473,000 of debts due from other group companies. The directors consider the result for the year, and the state of affairs of the business to be satisfactory.

DIVIDENDS

The directors have not paid an interim dividend on the ordinary shares (2002: £15,000,000), and do not recommend the payment of a final dividend. (2002: £Nil).

DIRECTORS

The following directors have held office during the year:

NP Buckles
ILE Cowden
TL Dighton
NE Griffiths

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

No director, who is not a holding company director, had any interest, including family interests, in the share capital of the company or its ultimate holding company, Securicor plc, at any time during the year.

AUDITORS

A resolution to re-appoint Baker Tilly, Chartered Accountants, as auditors to the company will be submitted to the Annual General Meeting.

By order of the board



NE Griffiths
Secretary

4 December 2003

Securicor (1996) plc

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for the year. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. 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 requirements of 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 SECURICOR (1996) PLC

We have audited the financial statements on pages 5 to 9.

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 opinion we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards 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 United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

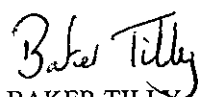
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

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 of the state of the company's affairs at 30 September 2003 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BAKER TILLY
Registered Auditor
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

4 December 2003

Securicor (1996) plc
 PROFIT AND LOSS ACCOUNT
 for the year ended 30 September 2003

	Note	2003 £'000	2002 £'000
Waiver of amounts due from group companies		(77,473)	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(77,473)</u>	<u>-</u>
Taxation	2	-	-
RETAINED LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		<u>(77,473)</u>	<u>-</u>
Dividends	3	-	(15,000)
RETAINED LOSS	6	<u>(77,473)</u>	<u>(15,000)</u>

The operating result for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

Securicor (1996) plc

BALANCE SHEET

30 September 2003

	Notes	2003 £'000	2002 £'000
FIXED ASSETS			
Investments	4	280,000	230,000
		<u> </u>	<u> </u>
CURRENT LIABILITIES			
Amount owed to group undertaking		(66,841)	(16,841)
		<u> </u>	<u> </u>
NET CURRENT LIABILITIES		(66,841)	(16,841)
		<u> </u>	<u> </u>
TOTAL ASSETS LESS CURRENT LIABILITIES		213,159	213,159
		<u> </u>	<u> </u>
CAPITAL AND RESERVES			
Called up share capital	5	37,196	37,191
Share premium account	6	253,266	175,798
Profit and loss account	6	(77,303)	170
		<u> </u>	<u> </u>
EQUITY SHAREHOLDERS' FUNDS	7	213,159	213,159
		<u> </u>	<u> </u>

Approved by the board on 4 December 2003



Director

Securicor (1996) plc

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost basis and in accordance with applicable accounting standards.

INVESTMENTS

Long term investments in subsidiary undertakings are classified as fixed assets and stated at cost.

Provision is made for any permanent diminution in the value of fixed asset investments.

Securicor (1996) plc

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2003

1 EMPLOYEES

The only employees of the company during the year were its directors who received no remuneration from the company.

2 TAXATION

2003	2002
£'000	£'000

Current tax:

UK corporation tax on profits of the period

-	-
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Tax on profit on ordinary activities

-	-
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Factors affecting tax charge for period:

2003	2002
£'000	£'000

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (30%). The differences are explained below:

Loss on ordinary activities before tax

(77,473)	-
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Loss on ordinary activities multiplied by standard rate of corporation tax in the UK 30% (2002: 30%)

(23,241)	-
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Expenses not deductible for tax purposes

23,241	-
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Tax charge for period

-	-
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3 DIVIDENDS

2003	2002
£'000	£'000

Ordinary:

Interim paid

-	15,000
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4 FIXED ASSETS INVESTMENTS

Subsidiary
undertakings
shares
£'000

Cost

At 1 October 2002

230,000

Additions in year

50,000

At 30 September 2003

280,000

The company holds more than 10% of the equity of the following undertakings:

Subsidiary undertakings	Country of registration/ incorporation	Class of holding	Proportion directly held	Nature of business
Securicor Group Limited	England	Ordinary	100%	Operating management

The accounts present information about the company as an individual undertaking, as the company has taken advantage of the exemption conferred by Section 228 of the Companies Act 1985. The ultimate holding company, Securicor plc, which is registered in England and Wales, produces consolidated accounts in which Securicor (1996) plc is included.

Securicor (1996) plc
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 2003

5	SHARE CAPITAL	2003		2002	
		Authorised £	Issued and fully paid £	Authorised £	Issued and fully paid £
	Ordinary shares of 5p each	40,000,000	37,196,317	40,000,000	37,191,317

On 31 March 2003 the company allotted 100,000 ordinary shares of 5p each for a total consideration of £77,472,829.

6	RESERVES	Profit and Loss account £'000	Share premium £'000	Total £'000
	1 October 2002	170	175,798	175,968
	Retained loss for the year	(77,473)	-	(77,473)
	Premium on share issue	-	77,468	77,468
	At 30 September 2003	(77,303)	253,266	175,963

7	RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS	2003 £'000	2002 £'000
	Loss after taxation	(77,473)	-
	Dividends	-	(15,000)
	Retained loss	(77,473)	(15,000)
	Issue of ordinary shares	5	-
	Premium on share issue	77,468	-
	Opening equity shareholders' funds	213,159	228,159
	Closing equity shareholders' funds	213,159	213,159

8 ULTIMATE PARENT COMPANY

The ultimate holding company of Securicor (1996) plc is Securicor plc, a company registered in England and Wales. Copies of the group accounts of Securicor plc can be obtained from Sutton Park House, 15 Carshalton Road, Sutton, Surrey, SM1 4LD.

9 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption conferred by FRS 8 such that transactions do not need to be disclosed with companies where 90% or more of the voting rights are controlled within the group.