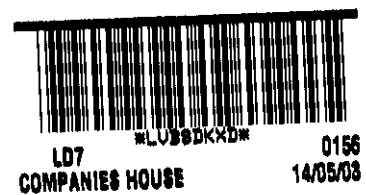


**SECURICOR CASH MACHINE LIMITED**

**FINANCIAL STATEMENTS**

**30 SEPTEMBER 2002**



Baker Tilly  
Chartered Accountants  
2 Bloomsbury Street  
London WC1B 3ST

**DIRECTORS AND OFFICERS**

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**DIRECTORS**

J B Anderson  
R D Dodd  
G P Foster  
A D A Martin  
A K Niven

**SECRETARY**

A P Munson

**REGISTERED OFFICE**

Sutton Park House  
15 Carshalton Road  
Sutton  
Surrey SM1 4LD

**AUDITORS**

Baker Tilly  
Chartered Accountants  
2 Bloomsbury Street  
London WC1B 3ST

**DIRECTORS' REPORT**

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The directors submit their report and the financial statements of Securicor Cash Machine Limited for the year ended 30 September 2002.

**PRINCIPAL ACTIVITIES**

The principal activity of the company is the operation of an independent network of ATMs.

**REVIEW OF THE BUSINESS**

The company continued to successfully develop its operations, growing turnover by 155% and reducing the operating loss by 80%.

Further turnover growth and improved trading results are anticipated in the coming year.

**RESULTS AND DIVIDENDS**

The directors do not recommend a payment of a dividend.

**DIRECTORS**

The following directors have held office since 1 October 2001:

J B Anderson	(appointed 11 June 2002)
R D Dodd	(appointed 11 June 2002)
G P Foster	(appointed 1 October 2002)
N E Griffiths	(resigned 11 June 2002)
A D A Martin	(appointed 11 June 2002)
A K Niven	(appointed 11 June 2002)
C C Shirtcliffe	(resigned 11 June 2002)

**DIRECTORS' REPORT**

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**DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS**

None of the directors had an interest in the shares of the company.

The following directors, who are not also holding company directors, have interests, including family interests, in the share capital of the parent company, Securicor plc.

	At 30.9.02	At 01.10.01
J B Anderson	-	5,809
R D Dodd	55,026	55,026
A K Niven	11,260	11,260

The following options were granted to the directors, who are not also holding company directors.

	Number of options granted
J B Anderson	150,000
R D Dodd	65,000
A D A Martin	65,000
A K Niven	339,134

**AUDITORS**

In accordance with Section 386, Companies Act 1985, the company has elected to dispense with the obligation to appoint auditors annually. Accordingly, Baker Tilly, Chartered Accountants, are deemed to be re-appointed for the succeeding financial year.

By order of the board



A P Munson  
Secretary

10 December 2002

**DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF  
FINANCIAL STATEMENTS**

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Company law requires the directors to prepare financial statements for each financial year, 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 that period. 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 CASH MACHINE LIMITED**

We have audited the financial statements on pages 6 to 15.

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**

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.

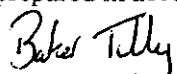
### **BASIS OF OPINION**

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 2002, and of its 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

10 December 2002

**SECURICOR CASH MACHINE LIMITED**

Page 6

**PROFIT AND LOSS ACCOUNT**  
**for the year ended 30 September 2002**

	Notes	2002 £'000	2001 £'000 as restated
<b>TURNOVER</b>	1	8,105	3,179
Cost of sales		(6,695)	(2,990)
<b>GROSS PROFIT</b>		<u>1,410</u>	<u>189</u>
Other operating expenses (net)	2	(1,632)	(1,296)
<b>OPERATING LOSS</b>		<u>(222)</u>	<u>(1,107)</u>
Interest payable		674	778
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	<u>(896)</u>	<u>(1,885)</u>
Taxation	4	202	632
<b>RETAINED LOSS FOR THE YEAR</b>	11	<u><u>(694)</u></u>	<u><u>(1,253)</u></u>

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

The results stated above represent the company's historic cost result for the year.

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**for the year ended 30 September 2002**

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	<b>2002</b> <b>£'000</b>	<b>2001</b> <b>£'000</b> <b>as restated</b>
Loss for the financial year	(694)	(1,253)
Total recognised gains and losses relating to the year	<u>(694)</u>	<u>(1,253)</u>
Prior year adjustment (note 16)	(285)	-
Total gains and losses recognised since last annual report	<u>£ (979)</u>	<u>£ (1,253)</u>



**BALANCE SHEET**  
**30 September 2002**

	Notes	2002 £'000	2001 £'000 as restated
<b>FIXED ASSETS</b>	6	878	829
<b>CURRENT ASSET</b>			
Debtors	7	4,891	5,122
Cash at bank and in hand		14,963	17,525
		<u>19,854</u>	<u>22,647</u>
<b>CREDITORS</b>			
Amounts falling due within one year	8	22,613	24,729
<b>NET CURRENT LIABILITIES</b>		<u>(2,759)</u>	<u>(2,082)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(1,881)</u>	<u>(1,253)</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	9	(66)	-
		<u>(1,947)</u>	<u>(1,253)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	-	-
Profit and loss account	11	(1,947)	(1,253)
		<u>(1,947)</u>	<u>(1,253)</u>

Approved by the board on 10 December 2002.

  
 ..... Director

**Financial statements for the year ended 30 September 2002****ACCOUNTING POLICIES**

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**BASIS OF ACCOUNTING**

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards and based upon the continued support of group companies.

**TURNOVER**

Turnover represents the invoiced value, net of Value Added Tax of goods sold and services provided to customers.

**PENSION CONTRIBUTIONS**

The company is included in the Group defined benefit pension scheme and defined contribution scheme. The contributions to the schemes are charged to the profit and loss account on a basis that spreads the expected cost of providing pensions over the employees' working lives with the Group.

**TANGIBLE FIXED ASSETS**

Fixed assets are stated at historic cost.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Equipment and vehicles	-	over 3 to 15 years
Development costs	-	over 5 years

**LEASED ASSETS AND OBLIGATIONS**

All leases are "operating leases" and the annual rentals are charged to the profit and loss account on a straight line basis over the lease term.

**DEFERRED TAXATION**

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 2002**

**1. TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

The company's turnover and loss before taxation were all derived from its principal activity and all sales were made in the United Kingdom.

<b>2. OTHER OPERATING EXPENSES</b>	<b>2002</b>	<b>2001</b>
	<b>£'000</b>	<b>£'000</b>
		<b>as restated</b>

Administration expenses	1,632	1,296
	<u>          </u>	<u>          </u>

<b>3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>2002</b>	<b>2001</b>
	<b>£'000</b>	<b>£'000</b>
		<b>as restated</b>

Loss on ordinary activities before taxation  
is stated after charging/(crediting):

Depreciation charge for the year:

tangible owned assets	118	22
Operating lease rentals		
Plant and machinery	1,909	731
Auditors' remuneration	2	2
	<u>          </u>	<u>          </u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 2002**

4. TAXATION	2002 £'000	2001 £'000 as restated
Current tax:		
UK corporation tax on profits of the period	(298)	(632)
Adjustments in respect of previous periods	30	-
Total current tax	<u>(268)</u>	<u>(632)</u>
Deferred tax:		
Origination and reversal of timing differences	66	-
Total deferred tax	<u>66</u>	<u>-</u>
Tax on loss on ordinary activities	<u>(202)</u>	<u>(632)</u>
Factors affecting tax charge for the period		
The tax assessed for the period is lower than the standard rate of corporation tax in the UK 30%. The differences are explained below:		
Loss on ordinary activities before tax	<u>(896)</u>	<u>(1,885)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK 30% (2001: 30%)	(269)	(566)
Effects of:		
Capital allowances in excess of depreciation	(29)	(66)
Adjustment to tax charge in respect of previous periods	30	-
Current tax charge for the period	<u>(268)</u>	<u>(632)</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 2002**

5. <b>EMPLOYEES</b>	<b>2002 No.</b>	<b>2001 No.</b>
The average weekly number of persons (including directors) employed by the company during the year was:		
Office and management	19	17
	<u>19</u>	<u>17</u>
	<b>2002 £'000</b>	<b>2001 £'000</b>
Staff costs for the above persons:		
Wages and salaries	639	340
Social security costs	62	26
Pension costs	32	10
	<u>733</u>	<u>376</u>
	<u>733</u>	<u>376</u>

The directors received no emoluments during the period (2001: £Nil).

**PENSIONS**

The company's share of the costs of the Group's defined benefit pension scheme amounted to £32,000 (2001: £10,000).

The pension costs are assessed on the advice of independent qualified actuaries using the projected unit credit method. The most recent actuarial valuation was dated 5 April 2001. The assets of the scheme are held in separate trustee administered funds.

Full particulars of the pension scheme are disclosed in the published accounts of Securicor plc.

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 September 2002

**6. TANGIBLE FIXED ASSETS**

	<b>Development costs £'000</b>	<b>Equipment &amp; vehicles £'000</b>	<b>Total £'000</b>
<b>Cost:</b>			
At 1 October 2001	593	374	967
Additions	-	167	167
At 30 September 2002	593	541	1,134
<b>Depreciation:</b>			
At 1 October 2001	118	20	138
Charge in year	56	62	118
At 30 September 2002	174	82	256
<b>Net book value:</b>			
At 30 September 2002	419	459	878
At 30 September 2001	475	354	829

<b>7. DEBTORS</b>	<b>2002 £'000</b>	<b>2001 £'000</b>
Due within one year:		
Amounts owed by group undertakings	479	-
Corporation tax	421	632
Prepayments and accrued income	3,991	4,490
	4,891	5,122

<b>8. CREDITORS</b>	<b>2002 £'000</b>	<b>2001 £'000</b> as restated
Amounts falling due within one year:		
Trade creditors	826	-
Amounts owed to group undertakings	20,860	23,841
Accruals and deferred income	927	888
	22,613	24,729

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 2002**

**9. PROVISIONS FOR LIABILITIES AND CHARGES**

Provision for deferred tax has been made as follows:

	<b>2002</b> <b>£'000</b>	<b>2001</b> <b>£'000</b>
Accelerated capital allowances	66	-
	<u>66</u>	<u>-</u>
Provision at start of period	-	-
Deferred tax charge in profit and loss account for period	66	-
	<u>66</u>	<u>-</u>
Provision at end of period	<u>66</u>	<u>-</u>

**10. SHARE CAPITAL**

	<b>2002</b>	<b>2001</b>
Authorised:		
100,000 ordinary shares of £1 each	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
Allotted, issued and fully paid:		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

**11. PROFIT AND LOSS ACCOUNT**

	<b>2002</b> <b>£'000</b>
At 1 October 2001 as previously stated	(968)
Prior year adjustment	(285)
	<u>(1,253)</u>
At 1 October 2001 as restated	(1,253)
Loss for the year	(694)
	<u>(1,947)</u>
30 September 2002	<u>(1,947)</u>

**12. RECONCILIATION OF MOVEMENTS  
IN SHAREHOLDERS FUNDS**

	<b>2002</b>	<b>2001</b>
	<b>£'000</b>	<b>£'000</b>
		<b>as restated</b>
Loss for the financial year	(694)	(1,253)
Opening shareholders funds (originally £(968,000) before deducting prior year adjustments of £285,000)	(1,253)	-
Closing shareholders funds	<u>(1,947)</u>	<u>(1,253)</u>

**13. ULTIMATE PARENT UNDERTAKING**

At 30 September 2002 the ultimate holding company of Securicor Cash Machine Limited was Securicor plc, which is 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.

**14. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption in FRS8 that transactions do not need to be disclosed with companies 90% or more of whose voting rights are controlled within the group.

**15. COMMITMENTS UNDER OPERATING LEASES**

At 30 September 2002 the company had annual commitments under non-cancellable operating leases as follows:

	<b>2002</b>	<b>2001</b>
	<b>£'000</b>	<b>£'000</b>
Plant and machinery Expiring between 2 and 5 years	<u>2,314</u>	<u>1,993</u>

**16. PRIOR YEAR ADJUSTMENT**

The company has changed its accounting policy in respect of the period over which it spreads the cost of operating leases. This has resulted in a charge of £285,000 to opening retained profits.