

Securicor Group Limited

FINANCIAL STATEMENTS

for the year ended
31 December 2007

Company Registration No 0057379

WEDNESDAY



LM8RH0AX

LD4

04/06/2008

125

COMPANIES HOUSE

Securicor Group Limited

DIRECTORS AND OFFICERS

DIRECTORS

NP Buckles
ILE Cowden
TL Dighton
PV David
RG Hawkins

SECRETARY

SE Lyell

REGISTERED OFFICE

The Manor
Manor Royal
Crawley
West Sussex
RH10 9UN

AUDITORS

KPMG Audit Plc
8 Salisbury Square
London
EC4Y 8BB

Securicor Group Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Securicor Group Limited for the year ended 31 December 2007

PRINCIPAL ACTIVITIES

The company's principal activity during the period was that of a holding company

DIVIDENDS

The directors do not recommend the payment of a dividend (2006 £Nil)

REVIEW OF THE BUSINESS

The directors consider the state of the company's affairs at 31 December 2007 and its result for the period to be satisfactory

DIRECTORS

The following directors held office during the period

IG Bridges	(resigned 12 January 2007)
NP Buckles	
ILE Cowden	
TL Dighton	
RG Hawkins	
PV David	(appointed 1 January 2007)
NE Griffiths	(resigned 1 January 2007)

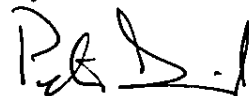
DISCLOSURE OF INFORMATION TO AUDITORS

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

AUDITORS

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the Company is to be proposed at the forthcoming Annual General Meeting

By order of the board



PV David
Director

14th May 2008

Securicor Group Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to 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 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SECURICOR GROUP LIMITED

We have audited the financial statements of Securicor Group Limited for the year ended 31st December 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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 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 AUDITORS

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant 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 and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we 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 within it.

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.

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st December 2007 and of its profit for the year then ended,
- 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.



KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

14th May 2008

Securicor Group Limited
PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2007

	Notes	31 December 2007 £000	31 December 2006 £000
Interest receivable and similar income	1	8,087	3,664
Investment income		17,224	121
Gain on disposal of investments in subsidiary undertakings		1,204,029	-
Impairment of investments		-	(808)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,229,340	2,977
Taxation	3	(2,426)	(1,136)
PROFIT FOR THE FINANCIAL YEAR	6	1,226,914	1,841

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

There is no difference between the results as stated and the results on a historical cost basis


Securicor Group Limited

BALANCE SHEET

As at 31 December 2007

	Notes	31 December 2007 £000	31 December 2006 £000
FIXED ASSETS			
Investments	4	17,224	284,241
CURRENT ASSETS			
Amounts owed by group undertakings		1,557,208	61,988
Cash at bank and in hand		15	14
		<u>1,557,223</u>	<u>62,002</u>
CREDITORS Amounts falling due within one year			
Corporation tax		(2,426)	(1,136)
NET CURRENT ASSETS		<u>1,554,797</u>	<u>60,866</u>
NET ASSETS		<u>1,572,021</u>	<u>345,107</u>
CAPITAL AND RESERVES			
Called up share capital	5	27,529	27,529
Share premium account	6	298,256	298,256
Capital redemption reserve	6	100	100
Profit and loss account	6	1,246,136	19,222
EQUITY SHAREHOLDERS' FUNDS	7	<u>1,572,021</u>	<u>345,107</u>

Approved by the board on 14th May 2008



PV David
Director

Securicor Group Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards

The Company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As 100% of the Company's voting rights are controlled within the group headed by G4S plc, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of G4S plc, within which this Company is included, can be obtained from the address given in note 9.

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.

TAXATION

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Securicor Group Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2007

1	INTEREST RECEIVABLE AND SIMILAR INCOME	31 December 2007 £000	31 December 2006 £000
	Amounts received from group companies	8,086	3,664
	Other interest received	1	-
		<u>8,087</u>	<u>3,664</u>

2	EMPLOYEES	31 December 2007 Number	31 December 2006 Number
	The average weekly number of persons (including directors) employed by the company during the period was		
	Management	6	6
		<u>6</u>	<u>6</u>

DIRECTORS REMUNERATION

The directors received no emoluments in the year in respect of their services to the company (2006 £nil)

3	TAXATION	31 December 2007 £000	31 December 2006 £000
	Current tax		
	UK corporation tax on profits of the period	2,426	1,136
		<u>2,426</u>	<u>1,136</u>
	Tax on profit on ordinary activities		
		<u>2,426</u>	<u>1,136</u>
	Factors affecting tax charge for 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		
	Profit on ordinary activities before tax	1,229,340	2,977
		<u>368,802</u>	<u>893</u>
	Profit on ordinary activities multiplied by standard rate of corporation tax in the UK 30% (2006 30%)		
	Effects of		
	(Non-taxable income)/non-deductible expenditure	(366,376)	243
		<u>2,426</u>	<u>1,136</u>
	Tax charge for period		

Securicor Group Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2007

4	FIXED ASSET INVESTMENTS	Subsidiary undertakings £000	Associated undertakings £000	Total £000
	Cost or valuation			
	1 January 2007	284,650	5,790	290,440
	Additions	17,224	-	17,224
	Disposals	(284,650)	(5,790)	(290,440)
	31 December 2007	17,224	-	17,224
	Amounts written off			
	1 January 2007	2,000	4,199	6,199
	Additional provision	-	-	-
	Disposals	(2,000)	(4,199)	(6,199)
	31 December 2007	-	-	-
	Net book value			
	31 December 2007	17,224	-	17,224
	31 December 2006	282,650	1,591	284,241

On 18 December 2007, the company disposed of its shareholdings in the following group companies to G4S plc for total consideration of £1,488,270,006. The consideration for the shares was left outstanding under a GBP-denominated loan receivable from G4S plc.

Securicor International Limited
K2 Insurance Limited
G4S Aviation Security (UK) Limited
Securicor ADI Group Limited
G4S Security Services (UK) Limited
G4S Cash Services (UK) Limited
G4S Cash Centres (UK) Limited
G4S Justice Services Limited
G4S SPV Holdings Limited
Securicor Finance Limited
Securicor (MP) Limited
Securicor Management Services Limited
G4S CIT (UK) Limited
G4S Government Services Limited
Great Western Security Limited
Securicor Telecoms Limited
Securicor International Holding AG

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

Subsidiary undertakings	Country of registration/ incorporation	Class of holding	Proportion held	Nature of business
Argenbright Security Inc	United States	Ordinary	100%	Holding company

Securicor Group Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2007

5	SHARE CAPITAL	31 December 2007 £000	31 December 2006 £000
	Authorised		
	56,029,236 'X' ordinary shares of 25p each	14,007	14,007
	63,970,764 'Y' ordinary shares of 25p each	15,993	15,993
		<u>30,000</u>	<u>30,000</u>
	Allotted, issued and fully paid		
	56,029,236 'X' ordinary shares of 25p each	14,007	14,007
	54,086,676 'Y' ordinary shares of 25p each	13,522	13,522
		<u>27,529</u>	<u>27,529</u>

The 'X' ordinary shares and 'Y' ordinary shares rank pari passu in all respects save that the directors of the company shall be entitled to declare a dividend or otherwise make distributions (including any distributions in kind) with respect to the 'X' ordinary shares to the exclusion of the 'Y' ordinary shares, and vice versa

6	RESERVES	Profit and loss account £000	Capital redemption reserve £000	Share premium £000	Total £000
	1 January 2007	19,222	100	298,256	317,578
	Retained Profit for the period	1,226,914	-	-	1,226,914
	31 December 2007	<u>1,246,136</u>	<u>100</u>	<u>298,256</u>	<u>1,544,492</u>

7	RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS	31 December 2007 £000	31 December 2006 £000
	Retained profit for the period	1,226,914	1,841
	Opening equity shareholders' funds	345,107	343,266
	Closing equity shareholders' funds	<u>1,572,021</u>	<u>345,107</u>

8 CONTINGENT LIABILITIES

The company is included in a group registration for VAT purposes and is therefore jointly and severally liable for all other group companies' unpaid debts in this connection. The liability of the UK group registration at 31 December 2007 totalled £18,214,691.

9 ULTIMATE PARENT COMPANY

The ultimate holding company of Securicor Group Limited is G4S plc, a company registered in England and Wales. Copies of the group accounts of G4S plc can be obtained from The Manor, Manor Royal, Crawley, West Sussex, RH10 9UN.

10 AUDITOR'S REMUNERATION

The auditor's remuneration of £1,200 was borne by another group company.