

**SECURICOR (AMERICAS) LIMITED**

**FINANCIAL STATEMENTS**

**30 SEPTEMBER 2000**



Baker Tilly  
Chartered Accountants  
2 Bloomsbury Street  
London WC1B 3ST

**DIRECTORS AND OFFICERS**

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**DIRECTORS**

R G Hawkins  
D G Cowden

**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**

The directors submit their report and the financial statements of Securicor (Americas) Limited for the year ended 30 September 2000.

**PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was of a holding company of participating interests providing all forms of industrial security, the provision of technical assistance and is a licensor of intellectual property for which it receives royalties.

**REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS**

The directors consider the results for the year to be satisfactory and that future results will be of a similar nature.

**DIVIDENDS**

The directors do not recommend a payment of a dividend.

**DIRECTORS**

The following directors have held office since 1 October 1999:

R G Hawkins

D G Cowden (resigned 1 December 2000)

T L Dighton (appointed 8 December 2000)

**DIRECTORS' SHARE OPTIONS**

No director, who is not also a holding company director, had any interest in the share capital of the company or its ultimate parent company, Securicor plc, other than stated below.

**1. Over shares of Securicor (1996) plc**

	Option	At 30.9.99	Option Price	Exercised Date	Exercised Number	Market value at exercise	Gain before tax
R G Hawkins	A	57,140	245p	8.11.99	12,240	614p	45,166
				9.11.99	44,900	612p	164,783
	B	27,250	280p	9.11.99	27,250	612p	90,470
	C	21,000	441.5p	9.11.99	21,000	612p	35,805
	F	4,352	224p	Rolled over (see below)			
D G Cowden	A	57,140	245p	8.11.99	12,240	614p	45,166
				9.11.99	44,900	612p	164,783
	B	27,250	280p	9.11.99	27,250	612p	90,470
	C	21,000	441.5p	9.11.99	21,000	612p	35,805
	E	4,974	196p	1.10.99	4,974	591p	19,647

**DIRECTORS' REPORT****DIRECTORS' SHARE OPTIONS (continued)****1. Over shares of Securicor (1996) plc (continued)**

Option A - Executive Share Option Scheme, normally exercisable between June 1999 and June 2006.

Option B - Executive Share Option Scheme, normally exercisable between June 2000 and June 2007.

Option C - Executive Share Option Scheme, normally exercisable between June 2001 and June 2008.

Option E - Sharesave Scheme, exercisable between October 1999 and March 2000.

Option F - Sharesave Scheme, exercisable between October 2000 and March 2001.

Mr Hawkins rolled over option F above as follows:

- Option F - converted into an option over 17,794 shares in Securicor plc at 54.79p per share.

Save for those rolled over, all the above options were exercised between 1 October 1999 and 9 November 1999. The total gain from share options made by the directors under the Scheme of Arrangement relating to the disposal of the group's interest in BT Cellnet and from the maturity of the 1996 Sharesave issue is shown above.

The market price of the ordinary shares at 30 September 2000 was 140p. Due to the Scheme of Arrangement in November 1999 there is no equivalent price for 30 September 1999. The market price of the ordinary shares at 11 November 1999 (their first day of listing) was 149.375p.

The highest and lowest market prices of an ordinary share during the period 11 November 1999 to 30 September 2000 were 189.0p and 116.75p respectively.

**2. Over shares of Securicor plc**

	Option	Option price	At 11.11.99	Granted during year	Outstanding at 30.09.00
R G Hawkins	C	164p	-	50,000	50,000
	D	133.75p	-	35,000	35,000
	H	54.79p	17,794	-	17,794
D G Cowden	E	107p	-	9,053	9,053

Option C - Executive Share Option Scheme, normally exercisable between December 2002 and December 2009.

Option D - Executive Share Option Scheme, normally exercisable between June 2003 and June 2010.

Option E - Sharesave Scheme, normally exercisable between October 2003 and March 2004.

Option H - Sharesave Scheme, exercisable between October 2000 and March 2001.

Further details in respect of Share Option Schemes are disclosed in the financial statements of the ultimate holding company.

**DIRECTORS' REPORT**

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**DIRECTORS' INTERESTS IN SHARES AND DEBENTURES**

	At 30.9.00	At 11.11.99	At 30.09.00 (Shares in Securicor (1996) plc)
R G Hawkins	105,390	105,390	-
D G Cowden	110,484	110,484	-

**INTRODUCTION OF THE EURO**

All relevant parts of the company will be able to handle euro transactions when required.

**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

8 December 2000

**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.

## **AUDITORS' REPORT TO THE MEMBERS OF SECURICOR (AMERICAS) LIMITED**

We have audited the financial statements on pages 7 to 13.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 5, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

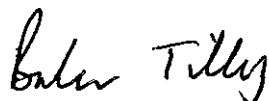
### **BASIS OF OPINION**

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 2000, 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

8 December 2000

**PROFIT AND LOSS ACCOUNT**  
**for the year ended 30 September 2000**

	Notes	2000 £	1999 £
<b>TURNOVER</b>	1	406,111	483,767
Administration expenses		(33,157)	(134,533)
<b>OPERATING PROFIT</b>		<u>372,954</u>	<u>349,234</u>
Other interest receivable and similar income		10,606	2,470
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	<u>383,560</u>	<u>351,704</u>
Taxation	4	(115,000)	(107,000)
<b>RETAINED PROFIT FOR THE YEAR</b>	10	<u><u>268,560</u></u>	<u><u>244,704</u></u>

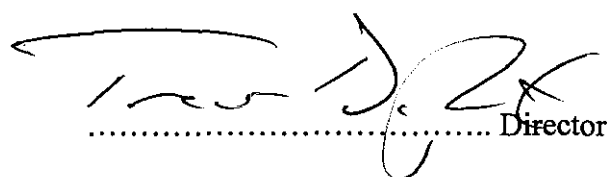
The operating profit for the year arises from the company's continuing operations.

The profit for the year represents the company's historical cost profit.

**BALANCE SHEET**  
**30 September 2000**

	Notes	2000 £	1999 £
<b>FIXED ASSETS</b>			
Investments	5	1,276,084	1,137,713
<b>CURRENT ASSETS</b>			
Debtors	6	516,772	518,679
Cash at bank and in hand		605,659	301,577
		<u>1,122,431</u>	<u>820,526</u>
<b>CREDITORS</b>			
Amounts falling due within one year	7	(350,470)	(370,869)
<b>NET CURRENT ASSETS</b>			
		<u>771,961</u>	<u>449,387</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		2,048,045	1,587,100
<b>CREDITORS</b>			
Amounts falling due after more than one year	8	(1,321,593)	(1,178,288)
		<u>726,452</u>	<u>408,812</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	2,000	2,000
Profit and loss account	10	724,452	406,812
		<u>726,452</u>	<u>408,812</u>

Approved by the board on 8 December 2000.  
and signed on its behalf by:

  
..... Director

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**for the year ended 30 September 2000**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Profit for the financial year after taxation	268,560	244,704
Currency translation differences (see note 10)	49,080	5,375
Total recognised gains relating to the year	<u>317,640</u>	<u>250,079</u>
 <b>RECONCILIATION OF MOVEMENT IN</b>	 <b>2000</b>	 <b>1999</b>
<b>SHAREHOLDERS' FUNDS</b>	<b>£</b>	<b>£</b>
Profit for the financial year	268,560	244,704
Currency translation differences (see note 10)	49,080	5,375
Net movement in shareholders' funds	<u>317,640</u>	<u>250,079</u>
Shareholders' funds at 1 October 1999	408,812	158,733
Shareholders' funds at 30 September 2000	<u>726,452</u>	<u>408,812</u>

**Financial statements for the year ended 30 September 2000**

## **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.

### **DEFERRED TAXATION**

Provision is made for taxation deferred or accelerated by the effect of timing differences, to the extent that it is probable that a liability will crystallise, at the rate expected to be ruling at that date.

### **TURNOVER**

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

### **FOREIGN CURRENCIES**

Transactions denominated in foreign currencies are recorded at the rate ruling at that date of the transaction. All differences are taken to the profit and loss account.

### **INVESTMENTS**

Investments in participating interests are shown, at cost, as fixed asset investments.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 2000**

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**1. TURNOVER**

The company's turnover is derived from overseas operations.

<b>2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>2000 £</b>	<b>1999 £</b>
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Profit on ordinary activities before  
taxation is stated after charging:

Auditors' remuneration	5,000	5,000
	<u>          </u>	<u>          </u>

<b>3. EMPLOYEES</b>	<b>2000 No.</b>	<b>1999 No.</b>
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The average weekly number of persons  
(including directors) employed by the  
company during the year was:

Management	2	3
	<u>          </u>	<u>          </u>

No director received any remuneration during the year.

<b>4. TAXATION</b>	<b>2000 £</b>	<b>1999 £</b>
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Based on the loss for the year:

UK Corporation tax at 30% (1999: 30.5%)	115,000	107,000
	<u>          </u>	<u>          </u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 2000**

**5. FIXED ASSET INVESTMENTS**

*Associates*  
*£*

Cost and net book value	
1 October 1999	1,137,713
Currency translation differences	138,371
30 September 2000	<u>1,276,084</u>

Name of company	Nature of business	Country of incorporation
Securicor Segura S.A.	Security services	Costa-Rica
Securicor Segura S.A.	Security services	Dominican Republic

The above holdings represent a 50% interest in the ordinary share capital of the companies.

The company has taken advantage of the exemption conferred by section 228 of the Companies Act 1985 from the requirement to prepare group accounts, as the company is itself a wholly owned subsidiary.

**6. DEBTORS**

**2000**  
**£**

**1999**  
**£**

Due within one year:		
Amounts owed by group undertakings	99,278	184,394
Amounts owed to associated undertakings	343,712	270,429
Prepayments and accrued income	-	26,075
Other debtors	73,782	37,781
	<u>516,772</u>	<u>518,679</u>

**7. CREDITORS**

**2000**  
**£**

**1999**  
**£**

Amounts falling due within one year:		
Amounts due to group undertakings	10,952	132,219
Amounts owed to associated undertakings	-	2,330
Corporation tax	247,296	131,125
Accruals and deferred income	92,222	105,195
	<u>350,470</u>	<u>370,869</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 2000**

8.	<b>CREDITORS</b>	<b>2000 £</b>	<b>1999</b>
	Amounts falling due in more than one year:		
	Amounts owed to fellow subsidiary undertakings	<u>1,321,593</u>	<u>1,178,288</u>
	The amount owed to fellow subsidiary undertakings are unsecured and interest free.		
9.	<b>SHARE CAPITAL</b>	<b>2000 £</b>	<b>1999 £</b>
	Authorised:		
	100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
	Allotted, issued and fully paid:		
	2,000 ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>
10.	<b>PROFIT AND LOSS ACCOUNT</b>	<b>2000 £</b>	<b>1999 £</b>
	1 October 1999	406,812	156,733
	Profit for the financial year	268,560	244,704
	Currency translation differences	49,080	5,375
	30 September 2000	<u>724,452</u>	<u>406,812</u>
11.	<b>ULTIMATE PARENT UNDERTAKING</b>		
	At 30 September 2000 the ultimate holding company of Securicor (Americas) 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, Surrey SM1 4LD.		
12.	<b>CONTINGENT LIABILITIES</b>		
	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.		
13.	<b>RELATED PARTY TRANSACTIONS</b>		
	The company has taken advantage of the exemption conferred by FRS 8 such that transactions do not need to be disclosed with companies 90% or more of whose voting rights are controlled within the group.		