

Securicor (Americas) Limited

FINANCIAL STATEMENTS

30 September 1999



Securicor (Americas) Limited

DIRECTORS AND OFFICERS

DIRECTORS

RG Hawkins
DG Cowden

SECRETARY

AP Munson

REGISTERED OFFICE

Sutton Park House
15 Carshalton Road
Sutton
Surrey SM1 4LD

AUDITORS

Baker Tilly
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

Securicor (Americas) Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Securicor (Americas) Limited for the year ended 30 September 1999.

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 the payment of a dividend.

DIRECTORS

The following directors have held office during the year:

RG Hawkins

DG Cowden

HW McKay

(appointed 6 April 1999)

(resigned 6 April 1999)

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

No director, who is not also a holding company director, had any interest in the share capital of the company or its ultimate holding company, Securicor (1996) plc.

YEAR 2000

The company has completed a comprehensive Year 2000 compliance programme and to date no significant problems have arisen.

INTRODUCTION OF THE EURO

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

Securicor (Americas) Limited

DIRECTORS' REPORT

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 reappointed for the succeeding financial year.

By order of the board



AP Munson
Secretary

10 January 2000

Securicor (Americas) Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 6 to 12.

Respective responsibilities of directors and auditors

As described on page 4 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 1999 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 January 2000

Securicor (Americas) Limited

PROFIT AND LOSS ACCOUNT

for the year ended 30 September 1999

	<i>Notes</i>	1999 £	1998 £
TURNOVER	1	483,767	514,703
Administrative expenses		(134,533)	(207,309)
OPERATING PROFIT		349,234	307,394
Other interest receivable and similar income		2,470	1,582
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	351,704	308,976
Taxation	4	(107,000)	(123,325)
PROFIT FOR THE YEAR, RETAINED	10	244,704	185,651

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

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

Securicor (Americas) Limited

BALANCE SHEET

30 September 1999

	Notes	1999 £	1998 £
FIXED ASSETS			
Investments	5	1,137,713	1,104,447
CURRENT ASSETS			
Debtors	6	518,679	587,944
Cash at bank and in hand		301,577	34,299
		820,256	622,243
CREDITORS: Amounts falling due within one year	7	(370,869)	(195,177)
NET CURRENT ASSETS		449,387	427,066
TOTAL ASSETS LESS CURRENT LIABILITIES		1,587,100	1,531,513
CREDITORS: Amounts falling due after more than one year	8	(1,178,288)	(1,372,780)
		408,812	158,733
CAPITAL AND RESERVES			
Called up share capital	9	2,000	2,000
Profit and loss account	10	406,812	156,733
		408,812	158,733

Approved by the board on 10 January 2000
and signed on its behalf by:

Director



Securicor (Americas) Limited
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 30 September 1999

	1999 £	1998 £
Profit for the financial year after taxation	244,704	185,651
Currency translation differences (see note 10)	5,375	1,669
Total recognised gains relating to the year	<u>250,079</u>	<u>187,320</u>

RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	1999	1998
Profit for the financial year after taxation	244,704	185,651
Currency translation differences (see note 10)	5,375	1,669
Net movement in shareholders' funds	<u>250,079</u>	<u>187,320</u>
Shareholders' funds at 1 October 1998	158,733	(28,587)
Shareholders' funds at 30 September 1999	<u>408,812</u>	<u>158,733</u>

Securicor (Americas) Limited

ACCOUNTING POLICIES

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 the 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.

Securicor (Americas) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 1999

1 TURNOVER

The company's turnover is derived from overseas operations.

	1999	1998
	£	£
2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		
Auditors' remuneration	5,000	4,500
Loss on disposal of tangible fixed assets	-	11,055

	1999	1998
	No.	No.
3 EMPLOYEES		

The average weekly number of persons (including directors) employed by the company during the year was:

Management	3	4
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No director received any remuneration during the year.

	1999	1998
	£	£
4 TAXATION		
Based on the result for the year:		
UK corporation tax at 30.5% (1998: 31%)	107,000	123,325

5 FIXED ASSET INVESTMENTS	Associates
	£
Cost and net book value	
1 October 1998	1,104,447
Currency translation differences	33,266
30 September 1999	1,137,713

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.

Securicor (Americas) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 1999

	1999 £	1998 £
6 DEBTORS		
Due within one year:		
Amounts owed by group undertakings	184,394	184,208
Amounts owed by associated undertakings	270,429	208,747
Prepayments and accrued income	26,075	9,471
Other debtors	37,781	185,518
	<u>518,679</u>	<u>587,944</u>
	1999 £	1998 £
7 CREDITORS: Amounts falling due within one year		
Amounts owed to group undertakings	132,219	16,576
Amounts owed to associated undertakings	2,330	2,331
Corporation tax	131,125	124,497
Accruals and deferred income	105,195	51,773
	<u>370,869</u>	<u>195,177</u>
	1999 £	1998 £
8 CREDITORS: Amounts falling due in more than one year		
Amounts owed to fellow subsidiary undertaking	<u>1,178,288</u>	<u>1,372,780</u>
The amounts owed to a fellow subsidiary undertaking are unsecured and interest free.		
9 SHARE CAPITAL	1999 £	1998 £
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>

Securicor (Americas) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 1999

10	PROFIT AND LOSS ACCOUNT	1999 £	1998 £
	1 October 1998	156,733	(30,587)
	Profit for the financial year	244,704	185,651
	Currency translation differences	5,375	1,669
	30 September 1999	<u>406,812</u>	<u>156,733</u>

11 ULTIMATE PARENT UNDERTAKING

At 30 September 1999 the ultimate holding company of Securicor (Americas) Limited was Securicor (1996) plc which is registered in England and Wales. Copies of the group accounts of Securicor (1996) plc can be obtained from Sutton Park House, 15 Carshalton Road, Surrey SM1 4LD.

Under a scheme of Arrangement completed in November 1999 the Securicor group was reconstructed and the ultimate holding company became Securicor plc which is registered in England and Wales.

12 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.

13 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 90% or more of whose voting rights are controlled within the group.