

# Securicor (Americas) Limited

## FINANCIAL STATEMENTS

30 September 1998



# Securicor (Americas) Limited

## DIRECTORS AND OFFICERS

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### DIRECTORS

HW McKay  
RG Hawkins

### 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

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The directors submit their report and the financial statements of Securicor (Americas) Limited for the year ended 30 September 1998.

### 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.

### CHANGE OF NAME

On the 17 October 1997 the company changed its name from Securicor Neal & Massy Limited to Securicor (Americas) Limited.

### 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:

HW McKay	
RG Hawkins	
SJT Hornby	(resigned 31 December 1997)

### 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 plc, other than as stated below:

	Securicor plc 5p ordinary shares	
	1998	1997
RG Hawkins	-	4,636

The following options were granted to directors, who are not holding company directors, over ordinary shares in Securicor plc during the year.

	Number of shares
RG Hawkins	21,000

### YEAR 2000

A centrally managed programme is being undertaken to address the impact on the business of the Year 2000. Many of the company's systems are already compliant and the directors anticipate that the programme will be completed by the end of 1999.

# Securicor (Americas) Limited

## DIRECTORS' REPORT

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### 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 reappointed for the succeeding financial year.

By order of the board



AP Munson  
Secretary

11 January 1999

# Securicor (Americas) Limited

## 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 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 1998 and of its profit 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

11 January 1999

# Securicor (Americas) Limited

## PROFIT AND LOSS ACCOUNT

for the year ended 30 September 1998

	<i>Notes</i>	1998 £	1997 £
TURNOVER	1	514,703	321,753
Administrative expenses		(207,309)	(416,942)
OPERATING PROFIT/(LOSS)		307,394	(95,189)
Other interest receivable and similar income		1,582	1,094
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2	308,976	(94,095)
Taxation	4	(123,325)	28,829
PROFIT/(LOSS) FOR THE YEAR, RETAINED	11	185,651	(65,266)

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 1998

	Notes	1998 £	1997 £
<b>FIXED ASSETS</b>			
Tangible assets	5	-	11,055
Investments	6	1,104,447	1,173,046
		<u>1,104,447</u>	<u>1,184,101</u>
<b>CURRENT ASSETS</b>			
Debtors	7	587,944	390,298
Cash at bank and in hand		34,299	33,497
		<u>622,243</u>	<u>423,795</u>
CREDITORS: Amounts falling due within one year	8	(195,177)	(178,437)
NET CURRENT ASSETS		<u>427,066</u>	<u>245,358</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,531,513	1,429,459
CREDITORS: Amounts falling due after more than one year	9	(1,372,780)	(1,458,046)
		<u>158,733</u>	<u>(28,587)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	2,000	2,000
Profit and loss account	11	156,733	(30,587)
		<u>158,733</u>	<u>(28,587)</u>

Approved by the board on 11 January 1999  
and signed on its behalf by:

Director





**Securicor (Americas) Limited**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**for the year ended 30 September 1998**

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	1998 £	1997 £
Profit/(loss) for the financial year after taxation	185,651	(65,266)
Currency translation differences (see note 11)	1,669	(1,174)
Total recognised gains/(losses) relating to the year	<u>187,320</u>	<u>(66,440)</u>

**RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	1998 £	1997 £
Loss for the financial year after taxation	185,651	(65,266)
Currency translation differences (see note 11)	1,669	(1,174)
Net movement in shareholders' funds	<u>187,320</u>	<u>(66,440)</u>
Shareholders' funds at 1 October 1997	(28,587)	37,853
Shareholders' funds at 30 September 1998	<u>158,733</u>	<u>(28,587)</u>

# Securicor (Americas) Limited

## 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.

### TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost.

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

Office equipment	4-6 years
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### 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 1998

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### 1 TURNOVER

The company's turnover is derived from overseas operations.

	1998 £	1997 £
2 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		
Auditors' remuneration	4,500	2,000
Depreciation and amounts written off tangible fixed assets:		
Charge for the year:		
tangible owned assets	-	6,944
Loss on disposal of tangible fixed assets	11,055	-
	<hr/>	<hr/>

	1998 No.	1997 No.
3 EMPLOYEES		
The average weekly number of persons (including directors) employed by the company during the year was:		
Management	4	4
	<hr/>	<hr/>

No director received any remuneration during the year.

	1998 £	1997 £
4 TAXATION		
Based on the result for the year:		
UK corporation tax at 31% (1997: 32%)	123,325	(28,829)
	<hr/>	<hr/>

	Office equipment £
5 TANGIBLE FIXED ASSETS	
Cost or valuation	
1 October 1997	22,622
Disposals	(22,622)
30 September 1998	<hr/> -
Depreciation	
1 October 1997	11,567
Disposals	(11,567)
30 September 1998	<hr/> -
Net book value	
30 September 1998	<hr/> -
30 September 1997	<hr/> 11,055

# Securicor (Americas) Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 1998

6	FIXED ASSETS	<i>Associates</i> £
	Cost and net book value	
	1 October 1997	1,173,046
	Currency translation differences	(68,599)
	30 September 1998	<u>1,104,447</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.

Securicor (Americas) Limited is a subsidiary undertaking of Securicor plc and both companies are 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.

The company has taken advantage of the exemption conferred by section 228 of the Companies Act 1985 from the requirement to prepare group accounts.

7	DEBTORS	1998 £	1997 £
	Due within one year:		
	Amounts owed by group companies	184,208	142,428
	Amounts owed by associated undertakings	208,747	183,325
	Prepayments and accrued income	9,471	5,762
	Other debtors	185,518	58,783
		<u>587,944</u>	<u>390,298</u>

8	CREDITORS: Amounts falling due within one year	1998 £	1997 £
	Trade creditors	-	29,206
	Amounts owed to group undertakings	16,576	94,726
	Amounts owed to associated undertakings	2,331	2,618
	Corporation tax	124,497	1,171
	Accruals and deferred income	51,773	50,716
		<u>195,177</u>	<u>178,437</u>

**Securicor (Americas) Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 1998**

	1998 £	1997 £
9 CREDITORS: Amounts falling due in more than one year		
Amounts owed to fellow subsidiary undertaking	1,372,780	1,458,046
The amounts owed to a fellow subsidiary undertaking are unsecured and interest free.		
10 SHARE CAPITAL	1998 £	1997 £
Authorised:		
100,000 ordinary shares of £1 each	100,000	100,000
Allotted, issued and fully paid:		
2,000 ordinary shares of £1 each	2,000	2,000
11 PROFIT AND LOSS ACCOUNT	1998 £	1997 £
1 October 1997	(30,587)	35,853
Profit/(loss) for the financial year	185,651	(65,266)
Currency translation differences	1,669	(1,174)
30 September 1998	156,733	(30,587)
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.		