

Securicor (Americas) Limited
(formerly Securicor Neal & Massy Limited)

FINANCIAL STATEMENTS

for the year ended

30 September 1997



Securicor (Americas) Limited
(formerly Securicor Neal & Massy Limited)
DIRECTORS AND OFFICERS

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

(formerly Securicor Neal & Massy Limited)
DIRECTORS' REPORT

The directors submit their report and the financial statements of Securicor (Americas) Limited for the year ended 30 September 1997.

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, and as a vehicle for the receipt of Technical Assistance fees from investments in the Americas.

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 since 1 October 1996:

HW McKay	
RG Hawkins	
SJT Hornby	(resigned 31 December 1997)
JR Pazos	(resigned 30 September 1997)
CD Maingot	(resigned 30 September 1997)
A Legarza	(resigned 30 September 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 1997	1996
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	31,602

Securicor (Americas) Limited

(formerly Securicor Neal & Massy Limited)
DIRECTORS' REPORT

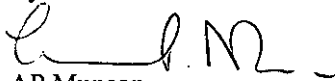
FIXED ASSETS

The significant changes in fixed assets during the year are detailed in notes 5, 6 and 7 to the financial statements.

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

9 January 1998

Securicor (Americas) Limited

(formerly Securicor Neal & Massy 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. 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
(FORMERLY SECURICOR NEAL & MASSY LIMITED)**

We have audited the financial statements on pages 6 to 13.

Respective responsibilities of directors and auditors

As described on page 3 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.

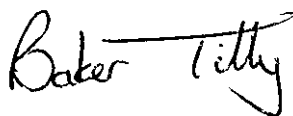
Basis of opinion

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 1997 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Registered Auditor
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

9 January 1998

Securicor (Americas) Limited
 (formerly Securicor Neal & Massy Limited)
PROFIT AND LOSS ACCOUNT
 for the year ended 30 September 1997

	<i>Notes</i>	1997 £	1996 £
TURNOVER	1	321,753	422,094
Administrative expenses		(416,942)	(334,312)
OPERATING (LOSS)/PROFIT		<u>(95,189)</u>	<u>87,782</u>
Other interest receivable and similar income		1,094	1,082
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1&2	<u>(94,095)</u>	<u>88,864</u>
Taxation	4	28,829	(30,000)
RETAINED (LOSS)/PROFIT FOR THE YEAR	12	<u>(65,266)</u>	<u>58,864</u>


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

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

Securicor (Americas) Limited
(formerly Securicor Neal & Massy Limited)
BALANCE SHEET
30 September 1997

	<i>Notes</i>	1997 £	1996 £
FIXED ASSETS			
Tangible assets	5	11,055	15,845
Intangible assets	6	-	-
Investments	7	1,173,046	1,210,644
		<u>1,184,101</u>	<u>1,226,489</u>
 CURRENT ASSETS			
Debtors	8	390,298	364,226
Cash at bank and in hand		33,497	72,922
		<u>423,795</u>	<u>437,148</u>
 CREDITORS: Amounts falling due within one year	9	(178,437)	(810,526)
 NET CURRENT LIABILITIES		<u>245,358</u>	<u>(373,378)</u>
 TOTAL ASSETS LESS CURRENT LIABILITIES		1,429,459	853,111
 CREDITORS: Amounts falling due after more than one year	10	(1,458,046)	(815,258)
		<u>(28,587)</u>	<u>37,853</u>
 CAPITAL AND RESERVES			
Called up share capital	11	2,000	2,000
Profit and loss account	12	(30,587)	35,853
		<u>(28,587)</u>	<u>37,853</u>

Approved by the board on 9 January 1998
and signed on its behalf by:



Director

Securicor (Americas) Limited

(formerly Securicor Neal & Massy Limited)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the year ended 30 September 1997

	1997 £	1996 £
(Loss)/profit for the financial year after taxation	(65,266)	58,864
Currency translation differences (see note 12)	(1,174)	(267)
Total recognised (losses)/gains relating to the year	<u>(66,440)</u>	<u>58,597</u>

RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	1997 £	1996 £
(Loss)/profit for the financial year after taxation	(65,266)	58,864
Currency translation differences (see note 12)	(1,174)	(267)
Net increase in shareholders' funds	<u>(66,440)</u>	<u>58,597</u>
Shareholders' funds at 1 October 1996	37,853	(20,744)
Shareholders' funds at 30 September 1997	<u>(28,587)</u>	<u>37,853</u>

Securicor (Americas) Limited

(formerly Securicor Neal & Massy Limited)

ACCOUNTING POLICIES

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
(formerly Securicor Neal & Massy Limited)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 1997

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

The company's turnover and loss on ordinary activities before taxation are is derived from overseas operations.

	1997 £	1996 £
2 (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		
Auditors' remuneration	2,000	2,000
Depreciation and amounts written off tangible fixed assets:		
Charge for the year:		
tangible owned assets	6,944	3,247
Amortisation	-	705
	<hr/>	<hr/>

	1997 No.	1996 No.
3 EMPLOYEES		

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

Management	4	3
	<hr/>	<hr/>

No director received any remuneration during the year.

	1997 £	1996 £
4 TAXATION		
Based on the result for the year:		
UK corporation tax	(28,829)	30,000
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Securicor (Americas) Limited
(formerly Securicor Neal & Massy Limited)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 1997

5	TANGIBLE FIXED ASSETS	Office equipment £
	Cost or valuation	
	30 September 1996	20,616
	Additions	2,646
	Translation	(640)
	30 September 1997	22,622
	Depreciation	
	30 September 1996	4,771
	Charged in the year	6,944
	Translation	(148)
	30 September 1997	11,567
	Net book value	
	30 September 1997	11,055
	30 September 1996	15,845
6	INTANGIBLE FIXED ASSETS	Organisation costs £
	Cost:	
	1 October 1996	829
	Disposal	(813)
	Translation	(16)
	30 September 1997	NIL
	Amortisation	
	1 October 1996	829
	Charge in year	-
	Disposal	(813)
	Translation	(16)
		NIL
	Net Book Value	
	30 September 1997	NIL
	30 September 1996	NIL

Securicor (Americas) Limited
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 1997

7	FIXED ASSETS	Associates £
	Cost and net book value	
	1 October 1996	1,210,644
	Additions	-
	Translation	(37,598)
	30 September 1997	<u>1,173,046</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, 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.

8	DEBTORS	1997 £	1996 £
	Due within one year:		
	Amounts owed by group companies	142,428	111,301
	Amounts owed by associated undertakings	183,325	202,874
	Prepayments and accrued income	5,762	23,331
	Withholding tax	58,783	26,720
		<u>390,298</u>	<u>364,226</u>

9	CREDITORS: Amounts falling due within one year	1997 £	1996 £
	Trade creditors	29,206	35,870
	Amounts owed to group undertakings	94,726	716,127
	Amounts owed to associated undertakings	2,618	986
	Corporation tax	1,171	30,000
	Accruals and deferred income	50,716	27,543
		<u>178,437</u>	<u>810,526</u>

Securicor (Americas) Limited
(formerly Securicor Neal & Massy Limited)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 1997

	1997 £	1996 £
10 CREDITORS: Amounts falling due in more than one year		
Amounts owed to fellow subsidiary undertaking	1,458,046	815,258
	<hr/>	<hr/>
The amount owed to a fellow subsidiary undertaking are unsecured and interest free.		
11 SHARE CAPITAL	1997 £	1996 £
Authorised:		
100,000 ordinary shares of £1 each	100,000	100,000
	<hr/>	<hr/>
Allotted, issued and fully paid:		
2,000 ordinary shares of £1 each	2,000	2,000
	<hr/>	<hr/>
12 PROFIT AND LOSS ACCOUNT	1997 £	1996 £
1 October 1996	35,853	(22,744)
(Loss)/profit for the financial year	(65,266)	58,864
Exchange difference	(1,174)	(267)
	<hr/>	<hr/>
30 September 1997	(30,587)	35,853
	<hr/>	<hr/>
13 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.		
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.		