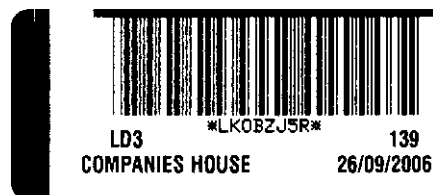


Securicor Group Limited

FINANCIAL STATEMENTS

for the year ended
31 December 2005



Company Registration No. 0057379

Securicor Group Limited

DIRECTORS AND OFFICERS

DIRECTORS

IG Bridges
NP Buckles
ILE Cowden
TL Dighton
NE Griffiths
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 2005.

PRINCIPAL ACTIVITIES

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

DIVIDENDS

The directors do not recommend the payment of a final dividend.

REVIEW OF THE BUSINESS

The directors consider that the state of the company's affairs at 31 December 2005 and its result for the period were satisfactory.

DIRECTORS

The following directors held office during the period:

IG Bridges
NP Buckles
ILE Cowden
TL Dighton
NE Griffiths
RG Hawkins

DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS

None of the directors have an interest in the shares of the company.

The following directors, who are not holding company directors, have interests, including family interests, in the share capital of the ultimate holding company, Group 4 Securicor plc.

	Ordinary shares of 25p each 31.12.05	Ordinary shares of 25p each 31.12.04
IG Bridges	50,000	70,403
RG Hawkins	164,542	164,542
NE Griffiths	431,361	431,361
ILE Cowden	255,045	255,045

Securicor Group Limited

DIRECTORS' REPORT

DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS (*continued*)

The following shares were conditionally awarded during the period to the directors, who are not also holding company directors, under the Group 4 Securicor Share Performance Plan (for further details see the Annual Report and Accounts of Group 4 Securicor plc).

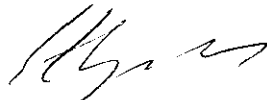
	Number of shares conditionally awarded
IG Bridges	50,000
RG Hawkins	50,000
NE Griffiths	Nil
ILE Cowden	177,020

Securicor plc was acquired by Group 4 Securicor plc on 19 July 2004.

AUDITORS

A resolution to appoint KPMG Audit Plc, Chartered Accountants, as auditors to the company and for their remuneration to be fixed by the directors will be submitted to the annual general meeting.

By order of the board



SE Lyell
Secretary

21st September 2006

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.

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 judgments 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 31 December 2005 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

As described in the Statement of Directors' Responsibilities on page 4, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 judgments 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 2005 and of its loss for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc
KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

21st September 2006

Securicor Group Limited
PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2005

	<i>Notes</i>	Year ended 31 December 2005 £000	15 months ended 31 December 2004 £000
TURNOVER	1	-	8,354
Administrative expenses		-	(22,858)
Other operating (costs)/income		-	(4,433)
OPERATING PROFIT		-	(18,937)
Loss on disposal of investments in subsidiary undertakings	2	(14,025)	-
Impairment of investments	2	(5,391)	-
Investment income	3	11,395	41,801
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST PAYABLE		(8,021)	22,864
Interest payable and similar charges	4	-	(1,462)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	(8,021)	21,402
Taxation	7	(3,418)	2,672
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(11,439)	24,074
Dividends Paid		(75,000)	-
(LOSS)/PROFIT FOR THE YEAR	13	(86,439)	24,074

The operating profit is derived from the company's continuing operations.

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.

Securicor Group Limited

BALANCE SHEET

31 December 2005

	Notes	31 December 2005 £000	31 December 2004 £000
FIXED ASSETS			
Investments	8	283,863	202,135
		<u>283,863</u>	<u>202,135</u>
CURRENT ASSETS			
Debtors (including debtors due after more than one year)	9	61,407	227,570
		<u>61,407</u>	<u>227,570</u>
CREDITORS: Amounts falling due within one year	10	2,004	-
NET CURRENT ASSETS		<u>59,403</u>	<u>227,570</u>
NET ASSETS		<u>343,266</u>	<u>429,705</u>
CAPITAL AND RESERVES			
Called up share capital	11	27,529	27,529
Share premium account	12	298,256	298,256
Capital redemption reserve	12	100	100
Profit and loss account	12	17,381	103,820
EQUITY SHAREHOLDERS' FUNDS	13	<u>343,266</u>	<u>429,705</u>

Approved by the board on 21st September 2006



NE GRIFFITHS
Director

Securicor Group Limited

ACCOUNTING POLICIES

The following accounting policies, which became applicable for the first time in 2005, have been applied consistently in dealing with items which are considered material in relation to the company's financial statements:

- FRS 17 : Retirement benefits
- FRS 21 : Events after the balance sheet date
- FRS 28 : Corresponding amounts

FRS 28 has not had a material effect as it imposes the same requirements for comparatives as hitherto required by the Companies Act 1985.

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.

INVESTMENTS

Long term investments in subsidiary and associated undertakings are classified as fixed assets and are stated at cost.

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

FOREIGN CURRENCIES

Profits and losses and assets and liabilities denominated in foreign currencies have been translated into sterling at the rates of exchange ruling at the balance sheet date. Foreign exchange adjustments have been taken to the profit and loss account.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of services provided.

DEFERRED TAX

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

LEASES

Annual rentals payable or receivable under operating leases are charged or credited to the profit and loss account as incurred.

Securicor Group Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2005

1	1	TURNOVER	Year ended 31 December 2005 £000	15 months ended 31 December 2004 £000
		Turnover	-	-
		Rent receivable	-	8,354
			<u>-</u>	<u>8,354</u>
			<u>-</u>	<u>8,354</u>
		All turnover was derived from the company's principal business in the UK.		
2	2	EXCEPTIONAL ITEMS	Year ended 31 December 2005 £000	15 months ended 31 December 2004 £000
		Loss on disposal of investments in subsidiary undertakings	(14,025)	-
		Impairment of investments	(5,391)	-
			<u>(14,025)</u>	<u>-</u>
			<u>(5,391)</u>	<u>-</u>
		The loss on disposal of investments in subsidiary undertakings relates to the disposal of 21.09% of Securicor International Holdings AG		
3	3	INVESTMENT INCOME	Year ended 31 December 2005 £000	15 months ended 31 December 2004 £000
		Dividends from subsidiary companies	-	36,073
		Other interest receivable and similar income	11,395	5,728
			<u>11,395</u>	<u>41,801</u>
			<u>11,395</u>	<u>41,801</u>
4	4	INTEREST PAYABLE	Year ended 31 December 2005 £000	15 months ended 31 December 2004 £000
		Other loans	-	1,462
			<u>-</u>	<u>1,462</u>
			<u>-</u>	<u>1,462</u>

Securicor Group Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2005

5	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	Year ended 31 December 2005 £000	15 months ended 31 December 2004 £000
	Profit on ordinary activities before taxation is stated after charging:		
	Depreciation and amounts written off tangible fixed assets:		
	Charge for the year:		
	Owned assets	-	1,165
	Operating lease rentals:		
	Plant and machinery	-	345
	Land and buildings	-	649
	Loss on disposal of investments in subsidiary undertakings	14,025	-
	Impairment of investments	5,391	-
		<u> </u>	<u> </u>
	The auditor's remuneration was borne by another group company.		
6	EMPLOYEES	Year ended 31 December 2005 Number	15 months ended 31 December 2004 Number
	The average weekly number of persons (including directors) employed by the company during the period was:		
	Management	6	37
	Administration	-	75
		<u> </u>	<u> </u>
		6	112
		<u> </u>	<u> </u>
		Year ended 31 December 2005 £000	15 months ended 31 December 2004 £000
	Staff costs for the above employees are:		
	Wages and salaries	-	6,575
	Social security	-	787
	Other pension costs	-	301
		<u> </u>	<u> </u>
		-	7,663
		<u> </u>	<u> </u>

DIRECTORS REMUNERATION

The directors received no emoluments in the year in respect of their services to the company (2004: £nil).

Securicor Group Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2005

7	TAXATION	Year ended 31 December 2005 £000	15 months ended 31 December 2004 £000
	Current tax:		
	UK corporation tax on (loss)/profit of the period	3,418	(2,672)
		<hr/>	<hr/>
	Tax on (loss)/profit on ordinary activities	3,418	(2,672)
		<hr/>	<hr/>
	Factors affecting tax charge for period:	Year ended 31 December 2005 £000	15 months ended 31 December 2004 £000
	The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:		
	(Loss)/Profit on ordinary activities before tax	(8,021)	21,402
		<hr/>	<hr/>
	(Loss)/Profit on ordinary activities multiplied by standard rate of corporation tax in the UK 30% (2004: 30%)	(2,406)	6,421
	Effects of:		
	Expenses not deductible for tax purposes	-	60
	Timing differences in the recognition of profits and losses	-	1,286
	Non taxable (income)/loss	-	(10,439)
	(Non-taxable income)/non-deductible expenditure	5,824	-
	Adjustment to tax charge in respect of previous periods	-	-
		<hr/>	<hr/>
	Tax (credit)/charge for period	3,418	(2,672)
		<hr/>	<hr/>

Securicor Group Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2005

8	FIXED ASSET INVESTMENTS	<i>Subsidiary undertakings £000</i>	<i>Associated undertakings £000</i>	<i>Total £000</i>
	Cost or valuation:			
	1 January 2005	221,564	18,171	239,735
	Additions	100,000	1,752	101,752
	Disposals	(37,600)	(14,633)	(52,233)
	31 December 2005	283,964	5,290	289,254
	Amounts written off:			
	1 January 2005	37,600	-	37,600
	Additional provision	2,000	3,391	5,391
	Disposals	(37,600)	-	(37,600)
	31 December 2005	2,000	3,391	5,391
	Net book value:			
	31 December 2005	281,964	1,899	283,863
	31 December 2004	183,964	18,171	202,135

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
Securicor International Ltd	England	Ordinary	100%	Holding company
Securicor Security Services Ltd	England	Ordinary	100%	Holding company
G4S Cash Services (UK) Ltd	England	Ordinary	100%	Security
G4S Justice Services Ltd	England	Ordinary	100%	Custody
G4S Aviation Security (UK) Ltd	England	Ordinary	100%	Guarding
Securicor Cash Centres Ltd	England	Ordinary	100%	Security
G4S Security Services (UK) Ltd	England	Ordinary	100%	Guarding
Securicor Finance Ltd	England	Ordinary	100%	Intermediary company
Securicor (MP) Ltd	England	Ordinary	100%	Holding company

All the above companies have co-terminus accounting reference dates.

In the period the company made additional investments in G4S Cash Services (UK) Limited for £100,000,000.

9	DEBTORS	31 December 2005 £000	31 December 2004 £000
	Amounts owed by group undertakings	61,407	227,570
		61,407	227,570

Securicor Group Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2005

10	CREDITORS: Amounts falling due within one year	31 December 2005 £000	31 December 2004 £000
	Corporation tax	2,004	-
		<u>2,004</u>	<u>-</u>

11	SHARE CAPITAL	31 December 2005		31 December 2004	
		Authorised £	Issued and fully paid £	Authorised £	Issued and fully paid £
	'X' ordinary shares of 25p each	14,007,309	14,007,309	14,007,309	14,007,309
	'Y' ordinary shares of 25p each	15,992,691	13,521,669	15,992,691	13,521,669
		<u>30,000,000</u>	<u>27,528,978</u>	<u>30,000,000</u>	<u>27,528,978</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.

12	RESERVES	Profit and loss account £000	Capital redemption reserve £000	Share premium £000	Total £000
	1 January 2005	103,820	100	298,256	402,176
	Retained Loss for the period	(86,439)	-	-	(86,439)
	31 December 2005	<u>17,381</u>	<u>100</u>	<u>298,256</u>	<u>315,737</u>

13	RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS	31 December 2005 £000	31 December 2004 £000
	Retained (loss)/profit for the period	(86,439)	24,074
	Issue of share capital	-	-
	Net (decrease)/increase in shareholders' funds	<u>(86,439)</u>	<u>24,074</u>
	Opening equity shareholders' funds	429,705	405,631
	Closing equity shareholders' funds	<u>343,266</u>	<u>429,705</u>

Securicor Group Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2005

14 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 2005 totalled £18,042,909.

15 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under Financial Reporting Standard 8 relating to 90% subsidiary undertakings and has not disclosed details of transactions with other undertakings, associates and joint ventures within the Group 4 Securicor plc group.

16 ULTIMATE PARENT COMPANY

The ultimate holding company of Securicor Group Limited is Group 4 Securicor plc, a company registered in England and Wales. Copies of the group accounts of Group 4 Securicor plc can be obtained from The Manor, Manor Royal, Crawley, West Sussex, RH10 9UN.