

SAFECALL LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

REGISTERED NUMBER: 3769031



SAFECALL LIMITED

DIRECTORS

C.J. Banszky
I K Bowden
S A Christison
T.M J. Fullwood
A.J Long
G.Long

REGISTERED OFFICE

Fifth Floor
100 Wood Street
London EC2V 7EX

NOTICE OF MEETING

Notice is hereby given that the annual general meeting of the Company will be held on 22 April 2008 at Fifth Floor, 100 Wood Street, London EC2V 7EX for the following purposes

- 1 To consider and approve the report of the directors and the financial statements for the year ended 31 December 2007
- 2 To re-appoint PKF (UK) LLP as the Company's auditors and authorise the directors to determine their remuneration

A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member. Any instrument appointing a proxy must be received at the registered office before the time fixed for the meeting.

By order of the Board



Law Debenture Corporate Services Limited
Secretary
22 April 2008

SAFECALL LIMITED

DIRECTORS' REPORT

The directors present to the members their report and the financial statements of the Company for the year ended 31 December 2007

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The Company operates principally as a confidential reporting line

There have not been any significant changes to the principal activities during the year. The directors are not aware at the date of the report of any likely changes in the company's activities in the next year

On 1 November 2007 the company was acquired by L D C Trust Management Limited

Turnover has decreased by 30.6% and profit before tax reduced by 56.1%

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks of the business are that details of calls are incorrectly reported. However, staff are hired on the basis of their skills and experience. Staff are trained and supervised to ensure that errors do not arise.

RESULTS

The Company's profit after taxation for the year was £79,299 (2006 £210,677). There are £214,015 accumulated reserves carried forward (2006 £244,714).

PAYMENT OF SUPPLIERS

The company is committed to seeking best terms possible for all types of business and hence there is no single policy as to the terms used. During the year the company had no trade creditors. Special arrangements exist for suppliers of certain legal services, where the company charges these costs to its clients.

FINANCIAL INSTRUMENTS

The company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments means that they are not subject to price risk or liquidity risk.

SAFECALL LIMITED

DIRECTORS

The directors of the Company from the start of the financial year to the date of this report were as follows

C J Banzsky (Appointed 31 October 2007)
I K Bowden (Appointed 31 October 2007)
S A Christison
T.M J.Fullwood (Appointed 31 October 2007)
A J. Long
G Long
Lord McKenzie of Framwellgate (Resigned 5 March 2007)

During the year, the Company maintained liability insurance for the benefit of directors and other officers

DIRECTORS' INTERESTS

No director has a beneficial interest in the share capital of the Company at the end of the year. The beneficial interests of C J. Banzsky, in the ordinary shares of The Law Debenture Corporation p l c , the Corporation's ultimate holding company, are shown in the report and financial statements of that company. The beneficial interests of I.K. Bowden and T M J Fullwood, in the ordinary shares of The Law Debenture Corporation p l c. are disclosed in the report and financial statements of L D C. Trust Management Limited

At 31 December 2006 the directors had the following beneficial interests in the shares of the company:

A J Long	60
G Long	30
Lord McKenzie of Framwellgate (Resigned 5 March 2007)	10

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Each of the directors has confirmed that so far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and that they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

On 1 November 2007 PKF (UK) LLP were appointed the company's auditors

A resolution to re-appoint PKF (UK) LLP as the Company's auditors will be proposed at the Annual General Meeting

By order of the Board



Law Debenture Corporate Services Limited
Secretary
22 April 2008

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required 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
- 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 the financial statements comply with 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.

SAFECALL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAFECALL LIMITED

We have audited the financial statements of Safecall Limited for the year ended 31 December 2007 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. Comparative information in these financial statements is derived from the financial statements for the previous period, which have not been audited

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 auditors' 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

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the statement of directors' responsibilities

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 have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements

In addition we report to you if, in our opinion, 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

SAFECALL LIMITED

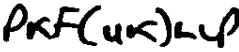
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAFECALL LIMITED

We planned and performed our audit so as to obtain all the information and explanations 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 United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985 and
- the information given in the directors' report is consistent with the financial statements


PKF(UK) LLP
Registered Auditors
London, UK
22 April 2008

SAFECALL LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER

	Notes	2007 £	2006 £
TURNOVER	2	611,890	881,762
Cost of sales		<u>(10,626)</u>	<u>(16,605)</u>
Gross profit		601,264	865,157
Less Administrative expenses	3 & 4	(490,287)	(607,573)
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		110,977	257,584
Interest receivable	5	5,122	6,602
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		116,099	264,186
Taxation	6	(36,800)	(53,509)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	14	79,299	210,677

There are no recognised gains or losses other than the result for the year

Income and result on ordinary activities before taxation relate exclusively to continuing operations

The annexed notes form part of these financial statements

SAFECALL LIMITED**BALANCE SHEET AS AT 31 DECEMBER**

	Notes	2007 £	2006 £
FIXED ASSETS			
Tangible assets	8	<u>3,873</u>	<u>7,845</u>
CURRENT ASSETS			
Debtors	11	64,937	175,475
Cash at Bank and in hand		<u>405,668</u>	<u>334,906</u>
		470,605	510,381
CREDITORS: Amounts falling due within one year	12	(260,363)	(273,410)
NET CURRENT ASSETS		<u>210,242</u>	<u>236,971</u>
TOTAL ASSETS			
LESS CURRENT LIABILITIES		214,115	244,816
NET ASSETS		<u><u>214,115</u></u>	<u><u>244,816</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	90	100
Capital redemption	13	10	-
Profit and Loss Account	14	214,015	244,716
SHAREHOLDERS' FUNDS (all equity interests)	15	<u><u>214,115</u></u>	<u><u>244,816</u></u>

Approved and authorised for issue by the Board on 22 April 2008
and signed on its behalf by

C J Banszky ) Director

The annexed notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2007

1. STATEMENT OF ACCOUNTING POLICIES

- (i) **Convention:** The financial statements have been prepared in accordance with the historical cost convention and in accordance with applicable accounting standards
- (ii) **Recognition of income and expenses:** Bank deposit interest receivable, administrative expenses and interest payable are all accounted for on an accruals basis. Revenue comprises the fair value of the sales of services net of value added tax. Sales of services are recognised in the accounting period in which the services are rendered, provided that the outcome of the transaction can be estimated reliably. Where the outcome of a transaction can be estimated reliably, sales are assessed on the basis of the actual services provided as a proportion of the total services to be provided. Where expenses are recoverable from third parties, the recoveries and expenses are included as income and expense.
Where payments are received in advance for services which extend beyond the period end, the amount relating to future periods is deferred using an appropriate discount rate.
- (iii) **Deferred income:** Fees received in respect of periods subsequent to the balance sheet date are carried forward as deferred income.
- (iv) **Foreign currencies:** Transactions recorded in foreign currencies during the year are translated into sterling at the exchange rate ruling on the date of the transaction. Assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the exchange rate ruling at that date.
- (v) **Cash flow statement:** The Company is a wholly owned subsidiary of The Law Debenture Corporation plc (a company incorporated in England and Wales) and is included in the consolidated financial statements of that company whose financial statements are publicly available. Consequently, the Company has taken advantage of the exceptions from preparing a cash flow statement under the terms of FRS1 (revised 1996).
- (vi) **Deferred taxation:** Deferred taxation is provided for using the full provision method following the adoption of Financial Reporting Standard No 19. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable profits from which the future reversal of the underlying timing difference can be deducted.

SAFECALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2007

- (vii) **Dividend distribution:** Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the shareholders
- (viii) **Tangible fixed assets:** Tangible fixed assets are recorded at historic purchase cost less accumulated depreciation. Depreciation has been calculated to write off the cost of all tangible fixed assets over the estimated useful lives of the relevant assets as follows:

Leasehold improvements	Over the lease period
Office furniture and equipment	3-10 years

2. TURNOVER

Turnover represents fees for services provided in the following geographical areas

	2007	2006
	£	£
United Kingdom	<u>611,890</u>	<u>881,762</u>

3. ADMINISTRATIVE EXPENSES

	2007	2006
	£	£
Salaries including directors' remuneration	258,321	292,184
Social security costs	25,278	31,780
Pension costs	11,160	11,579
Occupancy costs	28,992	18,571
Legal and professional fees	81,591	129,437
Depreciation	4,672	5,271

Administrative expenses include Audit fees of £5,000 (2006: £nil) payable for the year. Non-audit fees paid to the auditors during the year amounted to £nil (2006: £nil).

SAFECALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2007

4. EMPLOYEE INFORMATION AND DIRECTORS' EMOLUMENTS

There were 12 employees during the year (2006 12)

The Directors' emoluments, which are included within the administration expenses, comprise the following

	2007 £	2006 £
Directors' remuneration	70,061	82,153

5. INTEREST RECEIVABLE

	2007 £	2006 £
Bank interest receivable	5,122	6,602
	<u>5,122</u>	<u>6,602</u>

6. (a) ANALYSIS OF TAXATION CHARGE

	2007 £	2006 £
Current tax		
UK Corporation tax at 30% on profit for the year	36,800	53,509
	<u>36,800</u>	<u>53,509</u>
Total tax (Note (b))		

(b) FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (30%)

The difference is explained below:

SAFECALL LIMITED**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2007****(b) FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR (CONTINUED)**

	2007 £	2006 £
Profit on ordinary activities before tax	<u>116,099</u>	<u>264,186</u>
Profit on ordinary activities multiplied by the standard rate of UK Corporation tax at 30%	34,830	79,256
Effects of		
Other difference	460	-
Small companies relief	-	(25,747)
Non allowable expenses	<u>1,510</u>	<u>-</u>
Current tax charge for year (Note (a))	<u>36,800</u>	<u>53,509</u>

(c) FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The company's future effective tax rate will depend on the extent to which there is group relief available to claim from other group companies

7. DIVIDENDS	2007 £	2006 £
Dividends on ordinary shares comprise the following		
Dividends paid 2006 £1,000 00 per share	<u>-</u>	<u>100,000</u>

SAFECALL LIMITED**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2007****8. TANGIBLE FIXED ASSETS**

	LEASEHOLD IMPROVEMENTS	OFFICE FURNITURE AND EQUIPMENT	TOTAL
COST	£	£	£
Balance at 1 January 2007	6,311	22,700	29,011
Additions at cost	-	700	700
At 31 December 2007	6,311	23,400	29,711
ACCUMULATED DEPRECIATION			
Balance at 1 January 2007	3,516	17,650	21,166
Charge for the year	1,400	3,272	4,672
At 31 December 2007	4,916	20,922	25,838
NET BOOK VALUE at 31 December 2007	1,395	2,478	3,873
NET BOOK VALUE at 31 December 2006	2,795	5,050	7,845

SAFECALL LIMITED**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2007**

11. DEBTORS: Amounts due within one year	2007	2006
	£	£
Trade Debtors	59,466	173,699
Amounts owed to related party	-	1,776
Other debtors	5,469	-
	<u>64,935</u>	<u>175,475</u>
12. CREDITORS: Amounts falling due within one year	2007	2006
	£	£
Trade creditors	16,951	2,056
Corporation tax	35,195	50,000
Other taxes	28,435	41,474
Other creditors	5,002	13,439
Deferred income	174,780	166,441
	<u>260,363</u>	<u>273,410</u>
13. SHARE CAPITAL	2007	2006
	£	£
Authorised		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted and fully paid		
100 ordinary shares of £1 each fully paid	<u>90</u>	<u>100</u>

During the year 10 ordinary shares were repurchased for £110,000. The repurchase was made out of distributable revenues and £10 was transferred to the capital redemption revenue.

14. PROFIT AND LOSS ACCOUNT	2007	2006
	£	£
Balance at 1 January	244,716	134,039
Profit on ordinary activities after taxation	79,299	210,677
Share repurchase (note 13)	(110,000)	-
Dividends (note 9)	-	(100,000)
Balance at 31 December	<u>214,015</u>	<u>244,716</u>

SAFECALL LIMITED**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2007**

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2007 £	2006 £
Profit for the year available for distribution	79,299	210,677
Dividends paid	-	(100,000)
Share re purchase	(110,000)	-
Net movement in shareholders' funds	(30,701)	110,677
Shareholders' funds at 1 January	244,816	134,139
Shareholders' funds at 31 December	214,115	244,816

16. HOLDING COMPANY

All the issued share capital of the Company is owned by L D C Trust Management Limited, a company registered in England and Wales. The Company's ultimate holding company is The Law Debenture Corporation plc, a company registered in England and Wales. Copies of the group financial statements of The Law Debenture Corporation plc can be obtained from The Secretary, The Law Debenture Corporation plc, Fifth Floor, 100 Wood Street, London EC2V 7EX.

17. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of The Law Debenture Corporation plc, the company has taken advantage of the exemption contained within Financial Reporting Standard No 8 (Related Party Transactions) not to disclose related party transactions with other members of the Group.

Prior to the company being acquired by L D C Trust Management Limited, the company repaid loans of £13,439 to directors. At the year end £Nil (2006 £13,439) was owed to directors of the company.