Brink's Europe Limited

Directors' report and financial statements

Registered number 03811043

31 December 2005

Contents

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2005

Principal activities

The company was set up for the provision of business support services to its parent in the United States of America

Results for the year and business review

The retained loss for the year of £11,440 *(2004 profit of £27,987)* was transferred to reserves The directors are satisfied with the performance of the business in 2005 However, several employees have left the Company As a result, the Company has lost the revenue that those employees used to generate The Directors do not consider such subsequent events to have changed the Company's ability to meet its financial obligations as they fall due The directors do not propose a dividend *(2004 £nil)*

Directors and directors' interests

The directors who held office during the year under review were as follows

MJ Flanagan (Resigned 31st March 2007)
J-M Houry (Resigned 7th November 2006)
RF Rokosz (Appointed 7th November 2006)
G Schapiro (Appointed 6th June 2005)

According to the register of directors' interests, none of the directors had any disclosable interest in the shares of the company at the year end Their interests in the ultimate parent company are shown in the financial statements of that company

Auditors

Pursuant to a shareholders' resolution, the company is not obliged to reappoint its auditors annually and KPMG LLP will therefore continue in office

By order of the board

G Schapiro
Director
Sept.4, 2007

Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

2007

Statement of directors' responsibilities

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 and applicable law (UK Generally Accepted Accounting Practice)

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

PO Box 695
8 Salisbury Square
London EC4Y 8BB

Independent auditors' report to the members of Brink's Europe Limited

We have audited the financial statements of Brinks Europe Ltd 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2

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 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its loss for the year then ended, and
- have been properly prepared in accordance with the Companies Act 1985

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

5 SEPTEMBER 2007

Profit and loss account
for the year ended 31 December 2005

	Note	Year ended 31 December 2005 £	Year ended 31 December 2004 £
Turnover	*1*	**382,874**	587,719
Administrative expenses		**(407,496)**	(585,693)
Operating (loss)/profit		**(24,622)**	2,026
Loss on sale of fixed assets		**(676)**	
Other interest receivable and similar income	*5*	**43,530**	25,961
Profit on ordinary activities before taxation	*2-4*	**18,232**	27,987
Tax on profit on ordinary activities	*6*	**(29,672)**	-
Retained (loss)/profit for the year		**(11,440)**	27,987

The company had no recognised gains or losses other than the profit for the year Accordingly, a statement of total recognised gains and losses has not been prepared

The results disclosed above are prepared on an unmodified historical cost basis

The above profit for the year has been transferred to reserves

All of the transactions during the year ended 31 December 2005 and the year ended 31 December 2004 related to continuing activities

The notes on pages 6 to 12 form part of these financial statements

Balance sheet
at 31 December 2005

	Note	2005 £	2005 £	2004 £	2004 £
Fixed assets					
Intangible assets	7		-		1 328
Tangible assets	8		**682**		3 619
			682		4 947
Current assets					
Debtors	9	**766,805**		792,789	
Cash at bank and in hand		**60,214**		74,250	
		827,019		867,039	
Creditors amounts falling due within one year	10	**(102,050)**		(134 895)	
Net current assets			**724,969**		732,144
Net assets			**725,651**		737 091
Capital and reserves					
Called up share capital	11		**501,000**		501 000
Profit and loss account	12		**224,651**		236,091
Equity shareholders' funds			**725,651**		737,091

These financial statements were approved by the board of directors on 2007 and were signed on its behalf by

G Schapiro
Director

Sept. 4, 2007

The notes on pages 6 to 12 form part of these financial statements

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

In these financial statements the following new standards have been adopted for the first time

- FRS 21 'Events after the balance sheet date',
- FRS 28 'Corresponding amounts'

The accounting policies under these new standards are set out below together with an indication of the effects of their adoption FRS 21 'Events after the balance sheet date' has had no material effect FRS 28 'Corresponding amounts' has had no material effect as it imposes the same requirements for comparatives as hitherto required by the Companies Act 1985

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

Cash flow statement

Under Financial Reporting Standard 1 (Revised) 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 financial statements

Tangible and intangible fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible and intangible fixed assets by equal instalments over their estimated useful economic lives as follows

Plant and machinery	-	3-4 years
Fixtures and fittings	-	10 years
Software licences	-	duration of licence

Foreign currencies

Transactions denominated in foreign currencies are translated and recorded at the rate of exchange ruling at the date of the transaction, balances payable or receivable at the balance sheet date are translated at the rates of exchange ruling at that date Differences arising are taken to the profit and loss account

Post retirement benefits (see note 14)

The company does not operate its own pension scheme but makes payments for eligible employees into the Brink's UK Limited Group pension scheme which is a defined benefit scheme Payments are taken to the profit and loss account in the year to which they relate

Taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

A net deferred tax asset is regarded as recoverable and therefore recognised only when on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Notes *(continued)*

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of business support services to the company's parent undertaking during the year Turnover is recognised on a cost plus 5% mark up basis at the end of each calendar month

2 Profit on ordinary activities before taxation

	Year ended 31 December 2005	Year ended 31 December 2004
	£	£
Profit on ordinary activities before taxation is stated after charging		
Auditors remuneration		
Audit	**2,325**	2,070
Other	**-**	2 500
Depreciation and other amounts written off tangible and intangible fixed assets	**4,265**	33 192

3 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

	Number of employees	
	Year ended 31 December 2005	Year ended 31 December 2004
Administration	**2**	3

The aggregate payroll costs of these persons were as follows

	Year ended 31 December 2005	Year ended 31 December 2004
	£	£
Wages and salaries	**12,143**	54,886
Social security costs	**7,667**	16 494
Pension costs	**-**	8,197
Compensation for loss of office	**-**	87,537
	19,810	167,114

Notes *(continued)*

4 Directors' remuneration

	Year ended 31 December 2005 £	Year ended 31 December 2004 £
Directors' emoluments	**5,962**	47 282
Compensation for loss of office	**-**	87 537
	5,962	134,819

The aggregate of emoluments of the highest paid director was £5,962 *(2004 £47,282)*

Retirement benefits are accruing to nil directors under a defined benefit scheme *(2004 nil)*

5 Other interest receivable and similar income

	Year ended 31 December 2005 £	Year ended 31 December 2004 £
Loan to Brinks Ltd	**41,657**	23,748
Bank interest	**1,873**	2,213
	43,530	25,961

6 Taxation

Analysis of tax charge in period

	2005 £	2005 £	2004 £	2004 £
UK corporation tax				
Current tax on result for the period	**5,739**		-	
Adjustments in respect of prior periods	**23,933**		-	
Total current tax		**29,672**		-
Deferred tax	**-**		-	
		-		-
Tax on profit on ordinary activities		**29,672**		-

As at 31 December 2005, the company had a deferred tax asset of £28,930 *(2004 £39,496)* which has not been recognised

Notes *(continued)*

Factors affecting the tax charge for the current period

The current tax charge for the period is higher *(2004 lower)* than the standard rate of corporation tax in the UK (30% *2004 30%)* The differences are explained below

	2005	2004
	£	£
Current tax reconciliation		
Profit on ordinary activities before tax	**18,232**	27,987
Current tax at 30% *(2004 30%)*	**5,469**	8,396
Effects of		
Expenses not deductible for corporation tax purposes	**10,914**	8531
Difference between depreciation and capital allowances	**(10,644)**	(16 927)
Adjustments to tax charge in respect of previous periods	**23,933**	-
Total current tax charge (see above)	**29,672**	-

7 Intangible fixed assets

	Software licences
	£
Cost	
At 1 January 2005	170 695
Disposals	(1,895)
At 31 December 2005	168 800
Depreciation	
At 1 January 2005	169 367
Charge for year	913
Disposals	(1 480)
At 31 December 2005	168 800
Net book value	
At 31 December 2005	-
At 31 December 2004	1,328

Notes *(continued)*

8 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 January 2005	214 104
Additions	-
Disposals	(3 987)
At 31 December 2005	210 117
Depreciation	
At 1 January 2005	210 485
Charge for year	2,677
Disposals	(3 727)
At 31 December 2005	209,435
Net book value	
At 31 December 2005	**682**
At 31 December 2004	3 619

9 Debtors

	31 December 2005 £	31 December 2004 £
Amounts owed by group undertakings	**761,422**	789,245
Other debtors	**1,584**	-
Prepayments	**3,799**	3,544
	766,805	792,789

10 Creditors amounts falling due within one year

	31 December 2005 £	31 December 2004 £
Bank loans and overdrafts	**8,789**	-
Trade creditors	**365**	6 128
Amounts owed to group undertakings	**18,212**	2,356
Taxation and social security	**61,341**	33,745
Accruals and deferred income	**13,343**	92 666
	102,050	134 895

Notes *(continued)*

11 Called up share capital

	31 December 2005 £	31 December 2004 £
Authorised		
1 000,000 Ordinary £1 shares	**1,000,000**	1,000,000
Allotted, called up and fully paid		
501,000 Ordinary £1 shares	**501,000**	501,000

12 Reconciliation of movements in shareholders' funds

	Called up share capital £	Profit and loss account £	Shareholders' Funds £
At 1 January 2005	501,000	236 091	737 091
Retained loss for the period	-	(11,440)	(11,440)
At 31 December 2005	**501,000**	**224,651**	**725,651**

13 Related party transactions

The company is exempt from disclosing transactions with group companies as it is a wholly owned subsidiary within a group whose financial statements are publicly available There were no other related party transactions

14 Pension scheme

The company participates in the Brink's (UK) Limited group pension scheme in respect of certain employees The scheme provides benefits based on final pensionable pay Because the company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, as permitted by FRS 17 'Retirement benefits' the scheme will be accounted for by the company when the accounting standard is fully adopted by the company as if the scheme was a defined contribution scheme

The latest full actuarial valuation was carried out at 1 January 2005 and updated for FRS 17 purposes to 31 December 2005 by a qualified independent actuary The market value of the group scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, was £8 9m, and the present value of the scheme's liabilities, which are derived from cash flow projections and thus inherently uncertain, was £14 5m, giving rise to a scheme deficit of £5 6m, before taking account of any deferred tax asset

The company is one of a number of participating employers and the implications of any surplus or deficit are considered on a group basis

The pension charge for the period represents contributions payable by the company to the fund and amounted to £ nil *(2004 £8,197)*

Notes *(continued)*

15 Ultimate parent undertaking

The company is a subsidiary undertaking of Brink's Security International Inc , which is incorporated in the United States of America Brink's Security International Inc is the smallest group in which the results of the company are consolidated

The largest group in which the results of the company are consolidated is that headed by The Brink's Company (previously known as The Pittston Company) which is incorporated in the United States of America and the accounts of which are available from 1801 Bayberry Ct , P O Box 18100, Richmond Va, 23226-8100, USA The Brink's Company is considered to be the company's ultimate parent