

Carlisle Security Services Limited

Directors' Report and Financial Statements
for the Period from 1 April 2008 to 31 December 2008

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Carlisle Security Services Limited

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Carlisle Security Services Limited
Company Information

Directors	R J Bradford	(resigned 31 July 2008)
	J W Coates	(resigned 31 August 2008)
	D I Pennington	(resigned 31 July 2008)
	D M C Doyle	(appointed 31 July 2008) (resigned 14 May 2009)
	A Burchall	(appointed 31 July 2008)
	R J Watson	(appointed 31 July 2008)
Secretaries	D I Pennington	(resigned 31 July 2008)
	R J Watson	(appointed 31 July 2008)
Registered office	800 The Boulevard Capability Green Luton Bedfordshire LU1 3BA	
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP	
Auditors	PricewaterhouseCoopers LLP 10 Bricket Road St Albans AL1 3JX	

Carlisle Security Services Limited

Directors' Report for the Period Ended 31 December 2008

The directors present their report and the audited financial statements for the period ended 31 December 2008.

Directors' responsibilities

The directors are responsible for preparing the Annual 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 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 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 those financial statements, directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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.

Directors' statement regarding disclosure of information to auditors

The directors who held office at the date of the approval of this directors' report confirm that they have taken all 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. The directors confirm that, as far as they are aware, there is no relevant audit information of which the company's auditors are unaware of.

Principal activity

The principal activity of the company is the provision of security services in the UK.

Results and dividends

Turnover for the nine months ended 31 December was £23.3 million, broadly in line with the comparative twelve month period. The directors expect the present level of business activity to be sustained for the foreseeable future. The directors do not recommend the payment of a dividend. Further details are set out in the profit and loss account on page 6.

The company's balance sheet as at 31 December 2008 is in a net liability position. The financial statements have been prepared on the going concern basis, which assumes that the company will continue in operational existence for the foreseeable future, having adequate funds available to it to meet its obligations as they fall due. The company's ultimate parent undertaking, Impellam Group plc, has provided a written letter of support confirming to the directors its intention to provide the company with all such financial support as is required to enable it to fulfil all of its obligations and other commitments falling due for the foreseeable future. It is therefore on this basis that the directors have, accordingly, prepared the financial statements on the going concern basis.

Carlisle Security Services Limited
Directors' Report for the Period Ended 31 December 2008

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Insurance

The group, of which the company is a member, maintains a comprehensive insurance programme with a number of reputable third party underwriters. These insurance policies are reviewed annually to ensure that there is adequate cover for insurable risks and that the terms of those policies are optimised.

Regulatory environment

The security industry is regulated by the SIA. The company takes its responsibilities seriously, is committed to meeting all of its regulatory responsibilities, and continues to strengthen its internal controls and processes with respect to legal and contractual obligations.

Principal risks facing the business

The principal risks and uncertainties of the Impellam Group plc ("the Group"), which include those of the company, are discussed in the Group Financial Director's Report in the group's annual report which does not form part of this report. The group's Business and financial risks are managed at a group level, rather than at an individual company level. For this reason, the company's directors believe that a discussion of the group's risks would not be appropriate for an understanding of the development, performance or position of the company.

Technology systems

The company is reliant on a number of technology systems in providing its services to clients. These systems are hosted both in-house and in various data centres. The business continues to review and enhance its ability to cope with the loss of a technology system as a result of a significant event.

Fixed assets

In the opinion of the directors no fixed assets have a significant difference in value between the book value reported and the market value.

Supplier payment policy

The company's policy, which is also applied by the group of which the company is a member, is to agree terms of payment with suppliers when agreeing the terms of each transaction and to ensure that suppliers are made aware of the terms of payment. The company abides by the terms of payment. Trade creditors of the company prior to close of business on 31 December 2008 were equivalent to 35 days (31 March 2008: 29 days) purchases, based on the average daily amount invoiced by suppliers during the year.

Carlisle Security Services Limited
Directors' Report for the Period Ended 31 December 2008

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Employees

The company recognises that it is essential to maintain a highly skilled workforce. To this end the policy of training and development is incorporated in the company plan. It is the policy to promote from within the organisation wherever the possibility exists.

Health and safety measures are given particular attention by the directors and a written policy exists and is known throughout the company.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the candidate concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

The company recognises the need for employees to be informed of the company's activities and performance. A corporate intranet for all employees provides a wide range of information and provides an increasingly important communication tool for policies and procedures as well as the sharing of information, document storage and specific news. Meetings are held between management and employees to allow sharing of information and consultation. Employees participate directly in the performance of the business through the Company's bonus arrangements.

Donations

There were no charitable or political donations made by the company in either the period to 31 December 2008 or the year to 31 March 2008.

Directors

The directors who held office during the period under review and up to the date of signing the financial statements were as follows:

- R J Bradford (resigned 31 July 2008)
- J W Coates (resigned 31 August 2008)
- D I Pennington (resigned 31 July 2008)
- D M C Doyle (appointed 31 July 2008)
(resigned 14 May 2009)
- A Burchall (appointed 31 July 2008)
- R J Watson (appointed 31 July 2008)

Directors' indemnity provisions

During the year and to the date of these accounts, the group had in force an indemnity provision in favour of one or more Directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985.

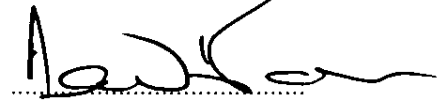
Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Carlisle Security Services Limited
Directors' Report for the Period Ended 31 December 2008

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By order of the Board:

A handwritten signature in black ink, appearing to read 'A Burchall', written over a dotted line.

A Burchall
Director

Date: 31 July 2009

Independent Auditors' Report to the Members of

Carlisle Security Services Limited

We have audited the Annual Report and financial statements of Carlisle Security Services Limited for the period ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing 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). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report and all of the other information listed on the contents page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

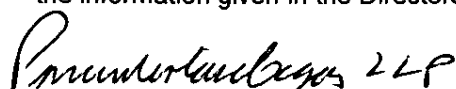
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its loss for the period 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.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
St Albans

Date: 31 July 2009

Carlisle Security Services Limited
Profit and Loss Account for the Period Ended 31 December 2008

	Note	1 April 2008 to 31 December 2008 £ 000	Year ended 31 March 2008 £ 000
Turnover		23,323	31,910
Cost of sales		(20,722)	(28,293)
Gross profit		<u>2,601</u>	<u>3,617</u>
Administrative expenses		(2,661)	(3,220)
Operating (loss)/profit	2	<u>(60)</u>	<u>397</u>
Interest payable and similar charges	4	(54)	(31)
(Loss)/profit on ordinary activities before taxation		<u>(114)</u>	<u>366</u>
Tax on (loss)/profit on ordinary activities	5	104	(43)
(Loss)/profit for the financial period	13	<u><u>(10)</u></u>	<u><u>323</u></u>

Turnover and operating (loss)/profit derive wholly from continuing operations.

The company has no recognised gains or losses for the period other than the results above.

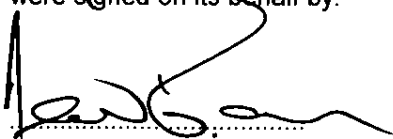
There is no difference between the results reported above and their historical cost equivalents.

The notes on pages 9 to 17 form an integral part of these financial statements.

Carlisle Security Services Limited
Balance Sheet as at 31 December 2008

		31 December 2008		31 March 2008	
	Note	£ 000	£ 000	£ 000	£ 000
Fixed assets					
Intangible assets	6		-		-
Tangible assets	7		<u>207</u>		<u>218</u>
			207		218
Current assets					
Debtors	9	8,434		6,629	
Cash at bank and in hand		<u>-</u>		<u>559</u>	
		8,434		7,188	
Creditors: Amounts falling due within one year	10	<u>(9,868)</u>		<u>(8,623)</u>	
Net current liabilities			<u>(1,434)</u>		<u>(1,435)</u>
Net liabilities			<u>(1,227)</u>		<u>(1,217)</u>
Capital and reserves					
Called up share capital	12		21		21
Other reserves	13		7,480		7,480
Profit and loss reserve	13		<u>(8,728)</u>		<u>(8,718)</u>
Shareholders' deficit	14		<u>(1,227)</u>		<u>(1,217)</u>

The financial statements on pages 7 to 17 were approved by the Board of Directors on 31 July 2009 and were signed on its behalf by:



A Burchall
Director

The notes on pages 9 to 17 form an integral part of these financial statements.

Carlisle Security Services Limited

Notes to the Financial Statements for the Period Ended 31 December 2008

1 Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 1985.

The financial statements have been prepared on the going concern basis, which assumes that the company will continue in operational existence for the foreseeable future, having adequate funds available to meet its obligations as they fall due. The company's ultimate parent undertaking, Impellam Group plc, has provided a written letter of support confirming to the directors its intention to provide the company with all such financial support as is required to enable it to fulfil all of its obligations falling due for the foreseeable future. Accordingly, the directors have prepared the financial statements on the going concern basis.

Significant accounting judgements

In applying the company's accounting policies the following judgements have been made that may have a significant effect on the amounts recognised in the financial statements:

Recoverability of debtors

The company determines whether debtors are impaired if events or changes in circumstances indicate that the carrying value may not be recoverable at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating unit to which the debtor is attached.

Turnover

Turnover comprises the invoiced value of services provided and goods supplied, net of value added tax. The nature of the company's activities is such that revenue is recognised when a written agreement, terms and conditions or an approved customer order is in place and the services have been fully rendered. At that time, pricing is then fixed and determinable. The company's procedures require review of a customer's ability to pay prior to a service provision, at the time of such provision, and at the time of billing, such that collectibility is reasonably assured.

Depreciation of tangible fixed assets

Tangible fixed assets are stated at cost or valuation, less depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis over its expected useful life, as follows:

Office equipment	25% straight line basis
Fixtures and fittings	15% - 33% straight line basis
Short leasehold land and buildings	Over the length of the lease

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Fixed asset investments

Fixed asset investments are stated at cost. The carrying value of investments are reviewed for impairment if events or changed in circumstances indicate the carrying value may not be recoverable.

Carlisle Security Services Limited

Notes to the Financial Statements for the Period Ended 31 December 2008

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Taxation

Current tax is recognised at the amounts estimated to be payable or recoverable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are recognised, subject to certain exceptions, in respect of all material timing differences between the recognition of gains and losses in the accounts and for tax purposes. Those timing differences recognised may include accelerated capital allowances, unrelieved tax losses and short term timing differences. Timing differences not recognised include those relating to the revaluation of fixed assets in the absence of a commitment to sell the revalued assets and the gain on sale of assets rolled over into replacement assets in the absence of a commitment to sell the replacement assets.

Deferred tax assets are recognised to the extent that they are regarded as recoverable. They are regarded as recoverable to the extent that, 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.

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

Operating leases

Rentals payable under operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged in the profit and loss account on a straight line basis over the lease term.

Pensions

The company contributes to employees defined contribution pension schemes. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial assets and financial liabilities are recorded on the company's balance sheet when the company has become a party to the contractual provisions of the instrument and derecognised when this is no longer the case.

Capital instruments

Shares are included in shareholders' funds. Other instruments are classified as liabilities if they contain an obligation to transfer economic benefits and if not they are included in shareholders' funds. The finance cost recognised in the profit and loss account in respect of capital instruments other than equity shares is allocated to periods over the term of the instrument at a constant rate on the carrying amount.

Cash flow statement

The company has taken advantage of the exemption under Financial Reporting Standard No. 1 (revised 1996) not to publish a cash flow statement as it is a wholly owned subsidiary of Impellam Group plc, which has prepared consolidated financial statements which are publicly available.

Consolidation

The company is exempt under Section 228 of The Companies Act 1985 from the requirement to prepare group accounts because it is a wholly owned subsidiary of Impellam Group plc which prepares consolidated accounts which are publicly available. Accordingly, these accounts are those of the company and not of its group.

Carlisle Security Services Limited

Notes to the Financial Statements for the Period Ended 31 December 2008

..... continued

2 Operating (loss)/profit

Operating (loss)/profit is stated after charging:

	1 April 2008 to 31 December 2008	Year ended 31 March 2008
	£ 000	£ 000
Operating lease rentals - plant & equipment	176	198
Operating lease rentals - land & buildings	162	220
The audit of the company's annual accounts	32	42
Depreciation of owned assets	60	67
	<u> </u>	<u> </u>

3 Particulars of employees

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

	1 April 2008 to 31 December 2008 No.	Year ended 31 March 2008 No.
Management	72	70
Operational	1212	1289
	<u> </u>	<u> </u>
	<u>1284</u>	<u>1359</u>

The aggregate payroll costs of these persons were as follows:

	1 April 2008 to 31 December 2008 £ 000	Year ended 31 March 2008 £ 000
Wages and salaries	18,781	25,580
Social security	1,639	2,223
Other pension costs	52	43
	<u> </u>	<u> </u>
	<u>20,472</u>	<u>27,846</u>

The directors who held office during the year were also directors of the ultimate parent undertaking and/or of fellow subsidiaries. Total remuneration, including company contributions to a money purchase pension scheme and compensation for loss of office, received by directors but not included above totalled £1,350,188 paid by the ultimate parent company or by other subsidiaries. The directors do not believe that it is practicable to apportion this amount between services as directors to the company and services as directors of the ultimate parent company and of fellow subsidiary companies.

During the year, no directors (2007: none) exercised options over shares in the ultimate parent company.

Carlisle Security Services Limited

Notes to the Financial Statements for the Period Ended 31 December 2008

..... continued

4 Interest payable and similar charges

	1 April 2008 to 31 December 2008 £ 000	Year ended 31 March 2008 £ 000
Bank interest payable	19	3
Other interest payable	35	28
	<u>54</u>	<u>31</u>

5 Taxation

Analysis of current period tax (credit)/charge

	1 April 2008 to 31 December 2008 £ 000	Year ended 31 March 2008 £ 000
Current tax		
Group relief (receivable)/payable	<u>(104)</u>	<u>43</u>

The effective current tax rate on the loss on ordinary activities before tax can be reconciled to the standard rate of corporation tax (taken to be the standard rate of corporation tax in the UK) as follows:

	1 April 2008 to 31 December 2008 %	1 April 2007 to 31 March 2008 %
Standard rate of tax	28.0%	30.0%
Transfer pricing adjustments (see below)	69.5%	0.0%
Other permanently disallowable/taxable items	(9.3)%	3.8%
Timing differences:		
Depreciation and similar charges in excess of capital allowances	3.0%	(22.1)%
Effective current tax rate	<u>91.2%</u>	<u>11.7%</u>

The standard rate of Corporation Tax in the UK changed from 30% to 28% with effect from 1 April 2008. Accordingly, the company's profits for this accounting period are taxed at an effective rate of 28.5% and will be taxed at the standard rate in the future.

UK legislation requires, in broad terms, that most transactions between connected parties be at an arm's length price for tax purposes (commonly known as "transfer pricing"). As a result, this company has become entitled to a deduction for deemed net interest receivable that has not been recognised in the accounts.

Carlisle Security Services Limited

Notes to the Financial Statements for the Period Ended 31 December 2008

..... continued

6 Intangible fixed assets

	Goodwill £ 000
Cost	
As at 1 April 2008 and 31 December 2008	<u>7,510</u>
Amortisation	
As at 1 April 2008 and 31 December 2008	<u>7,510</u>
Net book value	
As at 31 December 2008	<u>-</u>
As at 31 March 2008	<u>-</u>

7 Tangible fixed assets

	Short leasehold land and buildings £ 000	Fixtures and fittings £ 000	Office equipment £ 000	Total £ 000
Cost				
As at 1 April 2008	28	507	509	1,044
Additions	<u>-</u>	<u>49</u>	<u>-</u>	<u>49</u>
As at 31 December 2008	<u>28</u>	<u>556</u>	<u>509</u>	<u>1,093</u>
Depreciation				
As at 1 April 2008	22	320	484	826
Charge for the period	<u>3</u>	<u>47</u>	<u>10</u>	<u>60</u>
As at 31 December 2008	<u>25</u>	<u>367</u>	<u>494</u>	<u>886</u>
Net book value				
As at 31 December 2008	<u>3</u>	<u>189</u>	<u>15</u>	<u>207</u>
As at 31 March 2008	<u>6</u>	<u>187</u>	<u>25</u>	<u>218</u>

Carlisle Security Services Limited
Notes to the Financial Statements for the Period Ended 31 December 2008

..... continued

8 Investments held as fixed assets

	Shares in group undertakings £ 000
Cost	
As at 1 April 2008 and 31 December 2008	534
Provision	
As at 1 April 2008 and 31 December 2008	534
Net book value	
As at 31 December 2008	-
As at 31 March 2008	-

The company holds more than 20% of the share capital of the following companies:

	Country of incorporation	Principal activity	Class	%
Subsidiary undertakings				
Bourne Security Limited	Great Britain	Dormant	Ordinary	100
Carlisle Distribution Sector Services Limited	Great Brirain	Dormant	Ordinary	100

9 Debtors

	31 December 2008 £ 000	31 March 2008 £ 000
Trade debtors	3,220	3,209
Amounts owed by group undertakings	3,397	1,481
Prepayments and accrued income	1,817	1,939
	<u>8,434</u>	<u>6,629</u>

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

Carlisle Security Services Limited

Notes to the Financial Statements for the Period Ended 31 December 2008

..... continued

10 Creditors: Amounts falling due within one year

	31 December 2008 £ 000	31 March 2008 £ 000
Bank loans and overdrafts	2,924	4,027
Short term loan	3,306	-
Trade creditors	288	550
Amounts owed to group undertakings	13	43
Taxation and social security	2,555	3,181
Accruals and deferred income	782	822
	<u>9,868</u>	<u>8,623</u>

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

The bank overdraft is secured by a fixed and floating charge over the assets of the company. The company is also subject to a cross guarantee covering any overdrafts of Carlisle Group plc and certain other group companies.

Short term loans comprise amounts due under a confidential invoice discounting facility and are secured over the company's trade debtors. The company is also subject to a cross guarantee covering any similar short term loans of certain other group companies. Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

11 Provisions for liabilities

Deferred taxation

	Recognised		Unrecognised	
	31 December 2008 £ 000	31 March 2008 £ 000	31 December 2008 £ 000	31 March 2008 £ 000
The total recognised and unrecognised deferred tax liability/(asset) is as follows:				
Accelerated / (deferred) capital allowances	-	-	(63)	(66)
Short term timing differences	-	-	(14)	(14)
	<u>-</u>	<u>-</u>	<u>(77)</u>	<u>(80)</u>

Unprovided deferred tax assets have not been recognised due to uncertainty over their recoverable economic value.

Carlisle Security Services Limited

Notes to the Financial Statements for the Period Ended 31 December 2008

..... continued

12 Share capital

	31 December 2008 £	31 March 2008 £
Authorised		
Equity		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
Equity		
21,100 Ordinary shares of £1 each	<u>21,100</u>	<u>21,100</u>

13 Reserves

	Other reserves £ 000	Profit and loss reserve £ 000	Total £ 000
Balance at 1 April 2008	7,480	(8,718)	(1,238)
Transfer from profit and loss account for the period	-	(10)	(10)
Balance at 31 December 2008	<u>7,480</u>	<u>(8,728)</u>	<u>(1,248)</u>

14 Reconciliation of movements in shareholders' funds

	31 December 2008 £ 000	31 March 2008 £ 000
(Loss)/profit attributable to members of the company	(10)	323
Opening shareholders' deficit	<u>(1,217)</u>	<u>(1,540)</u>
Closing shareholders' deficit	<u>(1,227)</u>	<u>(1,217)</u>

15 Contingent liabilities

The company has given cross guarantees as follows:

a) Over the invoice discounting facility of the group of which the company is a member; the net aggregate amount outstanding against this facility at 31 December 2008 was £46,714,775.

Carlisle Security Services Limited

Notes to the Financial Statements for the Period Ended 31 December 2008

..... continued

16 Operating lease commitments

As at 31 December 2008 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	Land and buildings		Other	
	31 December 2008 £ 000	31 March 2008 £ 000	31 December 2008 £ 000	31 March 2008 £ 000
Within one year	-	5	27	34
Within two and five years	147	147	142	135
	<u>147</u>	<u>152</u>	<u>169</u>	<u>169</u>

17 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £52,000 (31 March 2008 - £43,000).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

18 Related parties

The company has taken advantage of the exemption granted to 90% subsidiaries not to disclose transactions with group undertakings under the provisions of Financial Reporting Standard No. 8 "Related Party Disclosures".

Controlling entity

The company's immediate parent undertaking is Capitol Group plc, a company incorporated in Great Britain. The directors regard Impellam Group plc, a company incorporated in Great Britain, as the ultimate parent undertaking. At 31st December 2008, Lord Ashcroft, KCMG was interested in and controlled 59.1% of Impellam Group plc. This is also the parent undertaking of the largest and smallest group which includes the company and for which group accounts are prepared. Copies of the group accounts of Impellam Group plc will be delivered to, and be available from, the Registrar of Companies, Companies Registration Office, Crown Way, Maindy, Cardiff, CF14 3UZ.