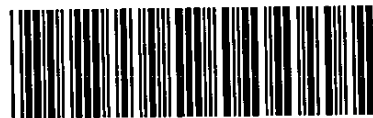


# Carlisle Security Services Limited

Directors' Report and Financial Statements

for the 52 week period ended 31 December 2010

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## **Carlisle Security Services Limited**

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**Carlisle Security Services Limited**  
**Company Information**

**Directors**           A J Burchall  
                              R J Watson

**Company secretary** R J Watson

**Registered office**   800 The Boulevard  
                              Capability Green  
                              Luton  
                              Beds  
                              LU1 3BA

**Bankers**             Barclays Bank plc  
                              1 Churchill Place  
                              London  
                              E14 5HP

**Auditors**            PricewaterhouseCoopers LLP  
                              10 Bricket Road  
                              St Albans  
                              Hertfordshire  
                              AL1 3JX

**Carlisle Security Services Limited**  
**Directors' Report for the 52 week period ended 31 December 2010**

The directors present their report and the financial statements for the 52 week period ended 31 December 2010

**Directors of the company**

The directors who held office during the period were as follows

A J Burchall

R J Watson

**Principal activity**

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

**Business review**

	2010 £ 000	2009 £ 000	Change %
Turnover	30,487	30,271	0.7
Gross profit	4,297	3,944	9.0
Administrative expenses	2,883	3,508	(17.8)
Earnings before interest and tax	1,414	436	224.3
Gross profit percentage (%)	14.1	13.0	
EBITDA return on sales (%)	5.0	1.7	
Conversion rate (%) (EBIT to Gross profit)	32.9	11.1	

Trading in 2010 has remained strong with stable turnover but further margin improvement driven by increased trade in the CCTV installation business and by further cost control initiatives. Carlisle Security has once again increased operating profitability and completed a turnaround in the last 2 years from a loss in the period ended 2008 to a £1,414,000 profit in 2010.

The business will now concentrate on generating new business wins in 2011 and the directors remain confident of a successful future.

**Insurance**

Impellam Group plc ("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.

**Principal risks and uncertainties**

The principal risks and uncertainties of 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.

**Regulatory environment**

The security industry is governed by the SIA. Additionally our clients require more complex levels of compliance in their contractual arrangements. 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.

**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.

**Donations**

There were no political donations made by the company in either 2010 or 2009.

## **Carlisle Security Services Limited**

### **Directors' Report for the 52 week period ended 31 December 2010**

**..... continued**

#### **Charitable donations**

During the year the company made charitable donations of £6,179 (2009 £4,000) Individual donations were

	£
Medical research & support	3,404
Local community support	2,775
	<hr/>

#### **Employment of disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant 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 to that of other employees.

#### **Employee involvement**

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.

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.

#### **Supplier payment policy**

The company's policy, which is also applied by the group of which the company is a member, is to settle 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 2010 were equivalent to 21 days' (2009 31 days') purchases, based on the average daily amount invoiced by suppliers and timesheets submitted by staff who are supplied to clients during the year.

#### **Directors' liabilities**

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 2006.

#### **Disclosure of information to the auditors**

Each director has taken 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 there is no relevant information that they know of and which they know the auditors are unaware of.

**Carlisle Security Services Limited**

**Directors' Report for the 52 week period ended 31 December 2010**

**..... continued**

**Reappointment of auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and so are deemed to be reappointed under section 487(2) of the Companies Act 2006

Approved by the Board on 5 April 2011 and signed on its behalf by

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

A J Burchall  
Director

## **Carlisle Security Services Limited**

### **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 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 apply them consistently,
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Independent Auditor's Report to the Members of Carlisle Security Services Limited**

We have audited the financial statements of Carlisle Security Services Limited for the 52 weeks ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 5), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

### **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



James French (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
St Albans

5 April 2011



**Carlisle Security Services Limited**  
**Profit and Loss Account for the 52 week period ended 31 December 2010**

	Note	2010 £ 000	2009 £ 000
Turnover	2	30,487	30,271
Cost of sales		<u>(26,190)</u>	<u>(26,327)</u>
Gross profit		4,297	3,944
Administrative expenses		<u>(2,883)</u>	<u>(3,508)</u>
Operating profit	3	1,414	436
Interest payable and similar charges	7	<u>(6)</u>	<u>(21)</u>
Profit on ordinary activities before taxation		1,408	415
Tax on profit or loss on ordinary activities	8	<u>(287)</u>	<u>(26)</u>
Profit for the financial year		<u>1,121</u>	<u>389</u>

Turnover and operating profit derive wholly from continuing operations

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

**Carlisle Security Services Limited**  
**Registration number: 2654100**  
**Balance Sheet at 31 December 2010**

	Note	2010 £ 000	2009 £ 000
<b>Fixed assets</b>			
Tangible fixed assets	10	423	191
<b>Current assets</b>			
Debtors	12	7,248	12,146
Cash at bank and in hand		289	14
		7,537	12,160
Creditors Amounts falling due within one year	13	(7,474)	(13,036)
Net current assets/(liabilities)		63	(876)
Total assets less current liabilities		486	(685)
Provisions for liabilities	14	(203)	(153)
Net assets/(liabilities)		283	(838)
<b>Capital and reserves</b>			
Called up share capital	15	21	21
Other reserves	16	7,480	7,480
Profit and loss account	16	(7,218)	(8,339)
Total shareholders funds/(deficit)		283	(838)

The financial statements on pages 7 to 18 were approved by the Board on 5 April 2011 and signed on its behalf by



A J Burchall  
Director

**Carlisle Security Services Limited**  
**Notes to the Financial Statements for the 52 week period**  
**ended 31 December 2010**

**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 UK accounting standards and the Companies Act 2006. The principal accounting policies have been applied consistently during the year and are set out below.

**Exemption from preparing a cash flow statement**

The company has taken advantage of the exemption under FRS 1 (Revised 1996) not to publish a cash flow as its ultimate parent, Impellam Group Plc, a company incorporated in the United Kingdom, has prepared consolidated financial statements which are publicly available.

**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:

*Impairment of goodwill*

The company determines whether goodwill is 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 goodwill is allocated. Estimating the value in use requires the company to make an estimate of the future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

*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.

**Turnover**

Turnover, which is stated exclusive of value added tax, comprises amounts receivable for employment services, net of rebates and discounts provided within the United Kingdom. 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.

**Goodwill**

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

**Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Office equipment	25% straight line basis
Fixtures and fittings	15 - 33% straight line basis
Short leasehold land and buildings	over the term of the lease

**Fixed asset investments**

Fixed asset investments are stated at historical cost less provision for any diminution in value.

**Carlisle Security Services Limited**  
**Notes to the Financial Statements for the 52 week period**  
**ended 31 December 2010**

..... **continued**

**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.

**Hire purchase and leasing**

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.

**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 at fair value on the transaction date, 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.

**Pensions**

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

**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.

**Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money. When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

**Carlisle Security Services Limited**  
**Notes to the Financial Statements for the 52 week period**  
**ended 31 December 2010**

..... *continued*

**2 Turnover**

The turnover of the company arises wholly from activities undertaken within the United Kingdom

**3 Operating profit**

Operating profit is stated after charging

	<b>2010</b> <b>£ 000</b>	<b>2009</b> <b>£ 000</b>
Operating leases - plant and equipment	140	89
Operating leases - land and buildings	147	181
Depreciation of owned tangible fixed assets	101	89
Auditor's remuneration	8	42
	<u>          </u>	<u>          </u>

**4 Auditor's remuneration**

	<b>2010</b> <b>£ 000</b>	<b>2009</b> <b>£ 000</b>
Audit of the financial statements	8	42
	<u>          </u>	<u>          </u>

**5 Particulars of employees**

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

	<b>2010</b> <b>No</b>	<b>2009</b> <b>No</b>
Administration and support	2	2
Management	84	82
Operational	1,085	1,300
	<u>          </u>	<u>          </u>
	1,171	1,384
	<u>          </u>	<u>          </u>

The aggregate payroll costs were as follows

	<b>2010</b> <b>£ 000</b>	<b>2009</b> <b>£ 000</b>
Wages and salaries	25,412	24,962
Social security costs	2,078	2,062
Staff pensions	128	117
	<u>          </u>	<u>          </u>
	27,618	27,141
	<u>          </u>	<u>          </u>

**6 Directors' remuneration**

The emoluments of the directors are paid by the ultimate parent company, or by another group company. The directors' services to this company are of a non-executive nature and are deemed to be attributable to services to the remunerating company. Accordingly, the directors received no remuneration for services to the company in the year (2009 £nil)

**Carlisle Security Services Limited**  
**Notes to the Financial Statements for the 52 week period**  
**ended 31 December 2010**

..... *continued*

**7 Interest payable and similar charges**

	<b>2010</b> <b>£ 000</b>	<b>2009</b> <b>£ 000</b>
Interest on bank borrowings	<u>6</u>	<u>21</u>

**8 Taxation**

**Tax charge/(credit) on profit on ordinary activities**

	<b>2010</b> <b>£ 000</b>	<b>2009</b> <b>£ 000</b>
<b>Current tax</b>		
Group relief payable	372	26
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>(85)</u>	<u>-</u>
Total tax on profit on ordinary activities	<u>287</u>	<u>26</u>

**Factors affecting current tax charge for the year**

The effective current tax rate on the profit 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

	<b>2010</b> <b>%</b>	<b>2009</b> <b>%</b>
Standard rate of tax	28 0	28 0
Transfer pricing adjustments (see below)	(2 0)	(16 6)
Other permanently disallowable/taxable items	0 8	3 0
Impairment of intra-group balances	-	4 1
Depreciation and similar charges in excess of capital allowances	(0 4)	(2 2)
Utilisation of brought forward losses	<u>-</u>	<u>(10 1)</u>
Effective current tax rate	<u>26 4</u>	<u>6 2</u>

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 is entitled to a deduction for deemed net interest payable in respect of intercompany balances that has not been recognised in the accounts

**Carlisle Security Services Limited**  
**Notes to the Financial Statements for the 52 week period**  
**ended 31 December 2010**

..... *continued*

**9 Intangible fixed assets**

	<b>Goodwill £ 000</b>
<b>Cost</b>	
At 1 January 2010	7,510
At 31 December 2010	7,510
<b>Amortisation</b>	
At 1 January 2010	7,510
At 31 December 2010	7,510
<b>Net book value</b>	
At 31 December 2010	-
At 31 December 2009	-

**10 Tangible fixed assets**

	<b>Short leasehold land and buildings £ 000</b>	<b>Plant and machinery £ 000</b>	<b>Office equipment £ 000</b>	<b>Total £ 000</b>
<b>Cost or valuation</b>				
At 1 January 2010	28	603	536	1,167
Additions	-	48	285	333
At 31 December 2010	28	651	821	1,500
<b>Depreciation</b>				
At 1 January 2010	26	439	511	976
Charge for the year	1	72	28	101
At 31 December 2010	27	511	539	1,077
<b>Net book value</b>				
At 31 December 2010	1	140	282	423
At 31 December 2009	2	164	25	191

**Carlisle Security Services Limited**  
**Notes to the Financial Statements for the 52 week period**  
**ended 31 December 2010**

..... *continued*

**11 Investments held as fixed assets**

**Shares in group undertakings and participating interests**

	<b>Subsidiary undertaking £ 000</b>
<b>Cost</b>	
At 1 January 2010	534
At 31 December 2010	534
<b>Provision for impairment</b>	
At 1 January 2010	(534)
At 31 December 2010	(534)
<b>Net book value</b>	
At 31 December 2010	-
At 31 December 2009	-

**Details of undertakings**

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows

<b>Undertaking</b>	<b>Holding</b>	<b>Proportion of voting rights and shares held</b>	<b>Principal activity</b>
<b>Subsidiary undertakings</b>			
Bourne Security Limited	Ordinary	100%	Dormant
Carlisle Distribution Sector Services Limited	Ordinary	100%	Dormant



**Carlisle Security Services Limited**  
**Notes to the Financial Statements for the 52 week period**  
**ended 31 December 2010**

..... *continued*

**12 Debtors**

	<b>2010</b> <b>£ 000</b>	<b>2009</b> <b>£ 000</b>
Trade debtors	1,980	3,537
Owed by group undertakings	3,462	5,959
Other debtors	10	33
Deferred tax	85	-
Prepayments and accrued income	1,711	2,617
	<u>7,248</u>	<u>12,146</u>

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

Certain trade debtors are subject to revolving credit facilities under which the company receives a substantial proportion of the value of the trade debtors shortly after they have been invoiced (see notes 13 and 20)

**Deferred tax**

The movement in the deferred tax asset in the year is as follows

	<b>£ 000</b>
Deferred tax credited to the profit and loss account	<u>85</u>

**Analysis of deferred tax**

	<b>2010</b> <b>£ 000</b>	<b>2009</b> <b>£ 000</b>
Difference between accumulated depreciation and amortisation and capital allowances	69	-
Other timing differences	16	-
	<u>85</u>	<u>-</u>

A reduction in the main rate of corporation tax to 26% from 1 April 2011 was announced in the Budget on 23 March 2011. This is a change from the rate of 27% included in the Finance Bill 2010. This change is expected to be substantively enacted on 29 March 2011 and will impact the measurement of deferred tax balances for periods ending after this date. Further reductions to the main rate are proposed to reduce the rate by 1 per cent per annum to 23 per cent by 1 April 2014. The changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

**Carlisle Security Services Limited**  
**Notes to the Financial Statements for the 52 week period**  
**ended 31 December 2010**

..... *continued*

**13 Creditors: Amounts falling due within one year**

	2010 £ 000	2009 £ 000
Trade creditors	258	134
Bank loans and overdrafts	1,643	-
Short term loan	-	188
Owed from group undertakings	1,010	7,985
Corporation tax - group relief payable	372	-
Other taxes and social security	1,321	1,461
Other creditors	1,882	2,251
Accruals and deferred income	988	1,017
	<u>7,474</u>	<u>13,036</u>

a) Bank overdrafts are secured by cross guarantees across all major UK trading subsidiaries of the company's ultimate parent undertaking, Impellam Group plc. These facilities incur no interest as they are part of a group offset arrangement against positive balances in other group companies.

b) The short term loans relate to revolving credit facilities (invoice discounting) over the trade debtors described in note 12. Any revolving credit liability is secured by a fixed charge over certain assets of the company and by composite guarantees and debentures from fellow group undertakings. These facilities incur interest at 1.85% over UK base rate and are repayable on demand (see note 20).

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

**14 Provisions**

	Dilapidation provision £ 000
At 1 January 2010	<u>153</u>
Charged to the profit and loss account	115
Utilised during the year	<u>(65)</u>
	50
At 31 December 2010	<u>203</u>

Property provisions are in respect of amounts expected to be due on the expiry of leases to return leased property to the condition in which it was at the start of the lease.

**15 Share capital**

**Allotted, called up and fully paid shares**

	2010		2009	
	No.	£	No.	£
Ordinary shares of £1.00 each	<u>21,100</u>	<u>21,100</u>	<u>21,100</u>	<u>21,100</u>

**Carlisle Security Services Limited**  
**Notes to the Financial Statements for the 52 week period**  
**ended 31 December 2010**

..... *continued*

**16 Reserves**

	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2010	7,480	(8,339)	(859)
Profit for the year	-	1,121	1,121
At 31 December 2010	<u>7,480</u>	<u>(7,218)</u>	<u>262</u>

**17 Reconciliation of movement in shareholders' funds**

	2010 £ 000	2009 £ 000
Profit attributable to the members of the company	1,121	389
Net addition to shareholders' funds	1,121	389
Shareholders' deficit at 1 January	(838)	(1,227)
Shareholders' funds/(deficit) at 31 December	<u>283</u>	<u>(838)</u>

**18 Contingent liabilities**

The company has given cross guarantees as follows

- a) AAs part of the invoice discounting facility of the Group of which the company is a member, a net aggregate amount of £12,345,895 was drawn down by other group companies as at 31 December 2010 (2009 £50,250,503)
- b) In respect of the Group's £45 million 10 per cent guaranteed secured notes due 2011, the net aggregate amount outstanding at 31 December 2010 was £20,000,000 (2009 £20,000,000)
- c) As part of the Group's overdraft facility, the net aggregate amount outstanding against this facility in other group companies at 31 December 2010 was £nil (2009 £2,710,065)

**Carlisle Security Services Limited**  
**Notes to the Financial Statements for the 52 week period**  
**ended 31 December 2010**

..... *continued*

**19 Commitments**

**Operating lease commitments**

As at 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2010 £ 000	2009 £ 000
<b>Land and buildings</b>		
Within one year	21	-
Within two and five years	-	147
Over five years	77	-
	<u>98</u>	<u>147</u>
<b>Other</b>		
Within one year	-	34
Within two and five years	-	97
	<u>-</u>	<u>131</u>

**20 Post balance sheet events**

After the year end the Impellam Group renewed its revolving credit facilities and as part of this the company withdrew from the arrangement as it was no longer required. As such, trade debtors under these facilities are no longer required as security on the other loans.

**21 Related party transactions**

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the Group.

**22 Control**

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. 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.

At 31 December 2010, the Lombard Trust was interested in and controlled 58.5% of Impellam Group plc.