Brink's Europe Limited

Directors' report and financial statements

Registered number 03811043

31 December 2004

Contents

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2004

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 profit for the year of £ 27,987 *(2003 £54,259)* was transferred to reserves The directors are satisfied with the performance of the business and believe that the future prospects are good The directors do not propose a dividend *(2003 £nil)*

Directors and directors' interests

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

MJ Flanagan
J-M Houry
G Schapiro (Appointed 6th June 2005)
I Sanders (Resigned 14 June 2004)

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

Arnold House
36/41 Holywell Lane
London
EC2A 3LB

31st May 2007

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that year In preparing those financial statements, the directors are required to

- select suitable accounting policies and then 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, 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the 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

KPMG

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 on pages 4 to 12

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 opinion we have formed

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance

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 transactions with the company is not disclosed

Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 of the state of the company's affairs as at 31 December 2004 and of its profit 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

18 JUNE 2007

Profit and loss account

for the year ended 31 December 2004

	Note	**Year ended 31 December 2004 £**	Year ended 31 December 2003 £
Turnover	*1*	**587,719**	2,054,784
Administrative expenses		**(585,693)**	(1,964,439)
Operating profit	*2*	**2,026**	90,345
Other interest receivable and similar income	*5*	**25,961**	7,502
Profit on ordinary activities before taxation	*2-4*	**27,987**	97,847
Tax on profit on ordinary activities	*6*	**-**	(43,588)
Retained profit for the year		**27,987**	54,259

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 2004 and the year ended 31 December 2003 related to continuing activities

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

Balance sheet
at 31 December 2004

	Note		2004		2003
		£	£	£	£
Fixed assets					
Intangible assets	*7*		**1,328**		20,438
Tangible assets	*8*		**3,619**		27,570
			4,947		48,008
Current assets					
Debtors	*9*	**792,789**		1,045,884	
Cash at bank and in hand		**74,250**		15,078	
		867,039		1,060,962	
Creditors amounts falling due within one year	*10*	**(134,895)**		(399,866)	
Net current assets			**732,144**		661,096
Net assets			**737,091**		709,104
Capital and reserves					
Called up share capital	*11*		**501,000**		501,000
Profit and loss account	*12*		**236,091**		208,104
Equity shareholders' funds			**737,091**		709,104

These financial statements were approved by the board of directors on 31st May 2007 and were signed on its behalf by

G. Schapiro
Director

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

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

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

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of business support services invoiced to the company's parent undertaking during the year

Notes *(continued)*

2 Profit on ordinary activities before taxation

	Year ended 31 December 2004	Year ended 31 December 2003
	£	£
Profit on ordinary activities before taxation is stated after charging.		
Auditors' remuneration		
Audit	**2,070**	3,000
Other	**2,500**	23,923
Depreciation and other amounts written off tangible and intangible fixed assets	**33,192**	107,492

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 2004	Year ended 31 December 2003
Administration	3	6

The aggregate payroll costs of these persons were as follows

	Year ended 31 December 2004	Year ended 31 December 2003
	£	£
Wages and salaries	**54,886**	912,467
Social security costs	**16,494**	168,154
Pension costs	**8,197**	13,528
Compensation for loss of office	**87,537**	-
	167,114	1,094,149

Notes *(continued)*

4 Directors' remuneration

	Year ended 31 December 2004	Year ended 31 December 2003
	£	£
Directors' emoluments	**47,282**	563,796
Compensation for loss of office	**87,537**	-

The aggregate of emoluments of the highest paid director was £47,282 *(2003 £400,446)*

Retirement benefits are accruing to nil directors under a defined benefit scheme *(2003 1)*

5 Other interest receivable and similar income

	Year ended 31 December 2004	Year ended 31 December 2003
	£	£
Loan to Brinks Ltd	**23,748**	-
Bank interest	**2,213**	7,502
	25,961	7,502

6 Taxation

Analysis of tax charge in period

	2004		2003	
	£	**£**	£	£
UK corporation tax				
Current tax on result for the period	-		55,602	
Adjustments in respect of prior periods	-		(12,014)	
Total current tax		-		43,588
Deferred tax	-		-	
		-		-
Tax on profit on ordinary activities		-		43,588

As at 31 December 2004, the company had a deferred tax asset of £39,496 *(2003 £54,176)* which has not been recognised

Notes *(continued)*

6 Taxation *(continued)*

Factors affecting the tax charge for the current period

The current tax charge for the period is lower *(2003 higher)* than the standard rate of corporation tax in the UK (30%, *2003 30%)* The differences are explained below

	2004	2003
	£	£
Current tax reconciliation		
Profit on ordinary activities before tax	**27,987**	97,847
Current tax at 30% *(2003 30%)*	**8,396**	29,354
Effects of		
Expenses not deductible for corporation tax purposes	**8,531**	15,207
Difference between depreciation and capital allowances	**(16,927)**	11,041
Adjustments to tax charge in respect of previous periods	**-**	(12,014)
Total current tax charge (see above)	**-**	43,588

7 Intangible fixed assets

	Software licences £
Cost	
At 1 January 2004	170,695
At 31 December 2004	170,695
Depreciation	
At 1 January 2004	150,257
Charge for year	19,110
At 31 December 2004	169,367
Net book value	
At 31 December 2004	**1,328**
At 31 December 2003	20,438

Notes *(continued)*

8 Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost			
At 1 January 2004	214,652	22,930	237,582
Additions	1,200	-	1,200
Disposals	(1,748)	(22,930)	(24,678)
At 31 December 2004	214,104	-	214,104
Depreciation			
At 1 January 2004	201,277	8,735	210,012
Charge for year	9,888	4,194	14,082
Disposals	(680)	(12,929)	(13,609)
At 31 December 2004	210,485	-	210,485
Net book value			
At 31 December 2004	**3,619**	**-**	**3,619**
At 31 December 2003	13,375	14,195	27,570

9 Debtors

	31 December 2004 £	31 December 2003 £
Amounts owed by group undertakings	**789,245**	1,001,477
Other debtors	**-**	6,578
Prepayments	**3,544**	37,829
	792,789	1,045,884

Notes *(continued)*

10 Creditors: amounts falling due within one year

	31 December 2004 £	31 December 2003 £
Bank loans and overdrafts	**0**	147,450
Trade creditors	**6,128**	15,578
Amounts owed to group undertakings	**2,356**	9,890
Taxation and social security	**33,745**	39,015
Accruals and deferred income	**92,666**	187,933
	134,895	399,866

11 Called up share capital

	31 December 2004 £	31 December 2003 £
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 2004	501,000	208,104	709,104
Retained profit for the period	-	27,987	27,987
At 31 December 2004	**501,000**	**236,091**	**737,091**

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

Notes *(continued)*

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 2004 and updated for FRS 17 purposes to 31 December 2004 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 £7 3m, and the present value of the scheme's liabilities, which are derived from cash flow projections and thus inherently uncertain, was £12 0m, giving rise to a scheme deficit of £4 7m, 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 £8,197 (2003 £13,528)

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