

# **Specialised Risk Management (Holdings) Limited**

## **Report and financial statements for the year ended 31 March 2004**

Registered No. 4267541



# **Specialised Risk Management (Holdings) Limited**

## **Report and financial statements for the year ended 31 March 2004**

	<b>Pages</b>
Company information	1
Report of the directors	2 – 3
Independent auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 – 10

## **Company information**

### **Registered office**

St Florian House  
Milton Road  
Wokingham  
Berkshire  
RG40 1EN

### **Directors**

R J Bradford  
J W Coates  
A G Hamilton  
D G L Prior  
I G Robinson

### **Company secretary**

I G Robinson

### **Auditors**

PricewaterhouseCoopers LLP  
1 Embankment Place  
London  
WC2N 6RH

## **Report of the directors for the year ended 31 March 2004**

The directors present their report and the audited financial statements of the company for the year ended 31 March 2004.

### **Review of the business**

The principal activity of the company is that of an investment holding company.

Both the level of business and period end financial position were generally considered to be satisfactory.

### **Results and dividends**

The retained loss for the financial year amounted to £49,000 (2003: £85,000) which has been transferred from reserves. The directors do not recommend the payment of a dividend.

### **Directors**

The following have served as directors during the year:

R J Bradford  
J W Coates (appointed 23 April 2004)  
The Rt. Hon. Sir A G Hamilton  
D G L Prior  
I G Robinson

At 31 March 2004, Messrs. A G Hamilton and D G L Prior each held 50,000 ordinary shares of £1 each in the company.

Under Statutory Instrument No. 802 made under the authority of Section 342(3) of the Companies Act 1985, the directors' interests in the share capital of the ultimate parent undertaking need not be disclosed.

## Report of the directors for the year ended 31 March 2004 (continued)

### 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 at the end of the financial year and of the profit and loss for that year. In preparing those financial statements, the directors are required to:

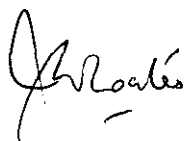
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare 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 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.

### Auditors

PricewaterhouseCoopers LLP continue in office as, in accordance with Section 386 of the Companies Act 1985, the company has made an elective resolution to dispense holding an annual general meeting.

### By order of the board



J W Coates  
Director

30 November 2004

## **Independent auditors' report to the members of Specialised Risk Management (Holdings) Limited**

We have audited the financial statements which comprise the profit and loss account, balance sheet and related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of principal accounting policies.

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

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom auditing standards issued by the Auditing Practices Board. 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 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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

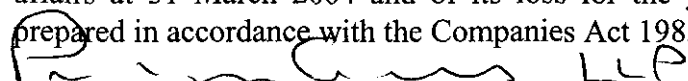
### **Basis of audit opinion**

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 at 31 March 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**

Chartered Accountants and Registered Auditors

London

30 November 2004

# Specialised Risk Management (Holdings) Limited

5

## Profit and loss account for the year ended 31 March 2004

	Notes	2004 £'000	2003 £'000
Administrative expenses		-	(40)
<b>Operating loss</b>	2	-	(40)
Interest payable and similar charges	3	(70)	(81)
<b>Loss on ordinary activities before taxation</b>		(70)	(121)
Tax on loss on ordinary activities	5	21	36
<b>Retained loss for the financial year</b>	11	(49)	(85)

All amounts relate to continuing activities.

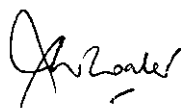
No statement of recognised gains and losses is required as there are no recognised gains or losses other than the results detailed above.

There is no difference between the results reported above and the equivalent results calculated on an unmodified historical cost basis.

## Balance sheet as at 31 March 2004

	Notes	2004 £'000	2003 £'000
<b>Fixed assets</b>			
Investments	6	<u>1,250</u>	<u>1,250</u>
<b>Current assets</b>			
Debtors	7	249	66
<b>Creditors: amounts falling due within one year</b>	8	<u>(1,202)</u>	<u>(109)</u>
<b>Net current liabilities</b>		<u>(953)</u>	<u>(43)</u>
<b>Total assets less current liabilities</b>		<b>1,499</b>	<b>1,207</b>
Creditors: amounts falling due after more one year	9	<u>-</u>	<u>(861)</u>
<b>Net assets</b>		<u><b>297</b></u>	<u><b>346</b></u>
 <b>Capital and reserves</b>			
Called up share capital	10	500	500
Profit and loss account - (deficit)	11	<u>(203)</u>	<u>(154)</u>
<b>Equity shareholders' funds</b>	12	<u><b>297</b></u>	<u><b>346</b></u>

The financial statements on pages 5 to 10 were approved by the board of directors on 30 November 2004 and were signed on its behalf by:



J W Coates  
Director



**Notes to the financial statements  
for the year ended 31 March 2004****1 Principal accounting policies****Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and the provisions of the Companies Act 1985, and on the basis of continuing financial support from group undertakings.

The company is exempt under Section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it is included in the consolidated financial statements of Carlisle Group plc.

**Fixed asset investments**

Fixed asset investments are stated at cost less any provision required for any impairment in value.

**Cash flow statement**

In accordance with FRS 1 (Revised) the company has not prepared a statement of cash flows for the current year as it is a small company.

**2 Operating loss**

Auditors' remuneration for the current year and prior year was borne by Specialised Investigation Services Limited.

**3 Interest payable and similar charges**

	<b>2004</b>	<b>2003</b>
	<b>£'000</b>	<b>£'000</b>
Intercompany interest payable	<u>70</u>	<u>81</u>

**Notes to the financial statements  
for the year ended 31 March 2004 (continued)**

**4 Directors' emoluments**

	2004 £'000	2003 £'000
Remuneration – fees	-	40

In addition to the above, aggregate remuneration (fees) of £50,000 (2003: £25,000) were paid to two directors of the company by Specialised Investigation Services Limited, a wholly owned subsidiary of Specialised Risk Management Limited, the company's subsidiary undertaking.

**5 Tax on loss on ordinary activities**

	2004 £'000	2003 £'000
Group relief receivable in respect of current year	(21)	(36)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	(21)	(36)

**6 Fixed asset investments**

	Interest in group undertaking £'000
At 31 March 2003 and 31 March 2004	1,250

The company holds 100 percent of the entire issued share capital, comprising ordinary shares of £1 each, of Specialised Risk Management Limited (SRML) and Employment Screening Services Limited (ESSL), both companies incorporated and operating in Great Britain and registered in England and Wales. The principal activity of SRML is that of an investment holding company, and ESSL is a non-trading company.

**7 Debtors**

	2004 £'000	2003 £'000
Amounts owed by group undertaking	249	66

**Notes to the financial statements  
for the year ended 31 March 2004 (continued)****8 Creditors: amounts falling due within one year**

	2004 £'000	2003 £'000
Amounts owed to group undertaking	<u>1,202</u>	<u>109</u>

**9 Creditors: amounts falling due after more than one year**

	2004 £'000	2003 £'000
Amounts owed to group undertakings	<u>-</u>	<u>861</u>

**10 Called up share capital**

	2004 £'000	2003 £'000
<b>Authorised</b>		
500,000 ordinary shares of £1 each	<u>500</u>	<u>500</u>
<b>Allotted, called up and fully paid</b>		
500,000 ordinary shares of £1 each	<u>500</u>	<u>500</u>

**Notes to the financial statements  
for the year ended 31 March 2004 (continued)**

**11 Profit and loss account**

	£'000
At 1 April 2003	(154)
Retained loss for the financial year	(49)
At 31 March 2004	<u>(203)</u>

**12 Reconciliation of movements in equity shareholders' funds**

	2004 £'000	2003 £'000
Loss for the financial year	(49)	(85)
Shareholders' funds at beginning of year	346	431
Shareholders' funds at end of year	<u>297</u>	<u>346</u>

**13 Contingencies**

An unlimited composite banking guarantee exists between the company and various fellow group undertakings in respect of banking facilities provided to the group in the UK.

**14 Ultimate parent undertaking**

The company's immediate parent undertaking is Carlisle Group plc.

As at 31 March 2004, the smallest group in which the company is consolidated was Carlisle Group plc, a company incorporated in Great Britain and registered in England and Wales. Copies of the consolidated financial statements of Carlisle Group plc can be obtained from its registered office at St Florian House, Milton Road, Wokingham, Berkshire RG40 1EN.

As at 31 March 2004, the company's ultimate parent undertaking was Carlisle Holdings Limited, a company registered in Belize. Lord Ashcroft, KCMG beneficially owned and controlled 70.6 percent of Carlisle Holdings Limited. Copies of the consolidated financial statements of Carlisle Holdings Limited can be obtained from its registered office at 60 Market Square, Belize City, Belize, Central America.