CONTROL RISKS SPECIALIST
SERVICES LIMITED

1810707

ACCOUNTS
for the year ended
31 MARCH 1991

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Coopers
&Lybrand
Deloitte

Report of the directors
for the year ended 31 March 1991

1 The directors submit their report and accounts for the year ended 31 March 1991.

Principal activities

2 The principal activity during the year was the provision of security management consultancy worldwide.

Review of business and future developments

3 The results for the year are set out on page 4. Both the level of business and the year end financial position were satisfactory, and the directors expect the present level of activity to improve in the foreseeable future.

Dividends and reserves

4 The directors have paid a dividend of £90,423 in respect of the year ended 31 March 1991 (1990 - £ Nil). The profit for the year has been taken to reserves.

Directors and their interests

5 The directors of the company during the year, all of whom have been directors for the whole of the year ended 31 March 1991 unless otherwise stated, and the interests of those directors holding office as at 31 March 1991 in shares of the parent company, according to the register of directors' interests, were:-

	Control Risks Group Limited Ordinary shares of 50p each	
	31 March 1991	1 April 1990
C N Gordon-Wilson (appointed 4 June 1990)	-	-
D N V Churton	*	*
R F Hayton	-	-
J G van der Hoek (Dutch) (Chairman)	-	-
M R Martin	*	*
Sir Kenneth Newman	1,000	1,000
R B Ward	6,765	6,765

*These directors are also directors of the parent company and as such their interests are not required to be shown in these accounts.

At 31 March 1991 none of the directors held interests in any of the shares of the company.

Close company provisions

6 The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

Auditors

7 A resolution to reappoint Coopers & Lybrand Deloitte as the company's auditors will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD

Janet M. Pinto

J M PINTO
Secretary

25th June 1991

Report of the auditors to the members of
CONTROL RISKS SPECIALIST SERVICES LIMITED

We have audited the accounts set out on pages 4 to 10 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31 March 1991 and of its profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers & Lybrand Deloitte

COOPERS & LYBRAND DELOITTE

Chartered Accountants
LONDON, 25 June 1991

CONTROL RISKS SPECIALIST SERVICES LIMITED

Profit and loss account for the year ended 31 March 1991

	Notes	1991 £	1990 £
Turnover	2	1,526,671	1,287,956
Administrative expenses		(1,376,402)	(1,140,378)
Profit on ordinary activities before taxation	3	150,269	147,578
Taxation on profit on ordinary activities	6	(51,756)	(49,306)
Profit on ordinary activities after taxation		98,513	98,272
Dividends paid	7	(90,423)	-
Retained profit for the year		£8,090	£98,272
STATEMENT OF RETAINED PROFITS			
Retained profit at 1 April 1990		188,695	90,423
Retained profit for the year		8,090	98,272
Retained profit at 31 March 1991		£196,785	£188,695

The notes on pages 7 to 10 form part of these accounts.

Auditors' report page 3.

CONTROL RISKS SPECIALIST SERVICES LIMITED

Balance sheet - 31 March 1991

	Notes	1991 £	1990 £
CURRENT ASSETS			
Debtors	8	384,835	390,413
CREDITORS: amounts falling due within one year	9	188,048	201,716
NET CURRENT ASSETS		£196,787	£188,697
CAPITAL AND RESERVES			
Called up share capital	10	2	2
Profit and loss account		196,785	188,695
		£196,787	£188,697

C N GORDON-WILSON)
) Directors
M R MARTIN)

The notes on pages 7 to 10 form part of these accounts.

Auditors' report page 3.

CONTROL RISKS SPECIALIST SERVICES LIMITED

Statement of source and application of funds for the year ended 31 March 1991

	1991 £	£	1990 £	£
SOURCE OF FUNDS				
Profit on ordinary activities before taxation		150,269		147,578
APPLICATION OF FUNDS				
Tax paid	151,369		-	
Dividends paid	90,423		-	
		(241,792)		-
		£(91,523)		£147,578
(DECREASE)/INCREASE IN WORKING CAPITAL				
(Decrease) in debtors		(5,578)		(179,397)
(Increase)/decrease in creditors excluding taxation		(89,945)		326,957
		£(91,523)		£147,578

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Notes to the accounts - 31 March 1991

Principal accounting policies

1 A summary of the more important accounting policies of the company, which have been applied consistently, is set out below:-

(a) Basis of preparation

The accounts have been prepared under the historical cost convention.

(b) Pension arrangements

The company participates in a group defined contribution pension scheme covering the majority of its permanent employees. The scheme's funds are administered by trustees and are independent of the company's finances. The scheme's benefits are secured under a fully insured contract with a major UK insurance company and the contributions paid by the company are in accordance with the recommendations made by an independent actuary. The company's contributions are charged to the profit and loss account in the year in which the contributions are made.

(c) Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date. Exchange gains and losses are included in the profit and loss account.

Turnover

2 It is the view of the directors that disclosure of the different classes of business and the different geographical markets in which the company operates would be prejudicial to the interests of the company.

Profit on ordinary activities before taxation

3 The profit on ordinary activities before taxation is stated after charging:-

	1991 £	1990 £
Auditors' remuneration	4,500	3,750
Hire of plant and machinery	144	861
Directors' emoluments (see note 4 (a))	132,134	72,071

Notes to the accounts - 31 March 1991 continued

Directors' emoluments

4(a) Directors' emoluments comprise emoluments (including pension contributions) for management services.

(b) Particulars of directors' emoluments (excluding pension contributions) disclosed in accordance with part V of schedule 5 of the Companies Act 1985, are as follows:-

	1991	1990
Emoluments of the Chairman	-	-
Emoluments of the highest paid director	£46,957	£36,368

Number of directors (including those above) whose emoluments were within the ranges:-

			1991	1990
£0	to	£5,000	4	3
£5,001	to	£10,000	-	1
£25,001	to	£30,000	-	1
£35,001	to	£40,000	1	1
£40,001	to	£45,000	1	-
£45,001	to	£50,000	1	-

Employee information

5(a) Control Risks Group Limited, the parent company, employs all staff, including directors, for which a charge is made to the company. The average number of persons employed (including executive directors) during the year is analysed below:-

	1991	1990
Consultants	17	15

(b) Employment costs of all employees included above:-

	1991 £	1990 £
Gross wages and salaries	444,670	336,267
Employer's national insurance contributions	41,800	35,529
Employer's pension contributions under the company pension scheme	27,938	18,847
	£514,408	£390,643

Tax on profit on ordinary activities

6 The tax charge is based on the profit on ordinary activities for the year and comprises :-

	1991 £	1990 £
UK Corporation Tax at 34% (1990 35%)	17,993	49,306
Payment for group relief received	33,834	-
Adjustment in respect of prior years	(71)	-
	£51,756	£49,306

Dividends

7

	1991 £	1990 £
Ordinary dividend paid	£90,423	-

Debtors

8

	1991 £	1990 £
Trade debtors	384,835	303,008
Amounts owed by fellow subsidiaries	-	87,405
	£384,835	£390,413

All the above amounts are due within one year of the balance sheet date.

Creditors: amounts falling due within one year

9

	1991 £	1990 £
Payments in advance	46,875	46,875
Amounts owed to fellow subsidiaries	71,502	-
UK Corporation tax	17,993	117,606
Accruals and deferred income	51,678	37,235
	£188,048	£201,716

Notes to the accounts - 31 March 1991 continued

Share capital

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	1991 £	1990 £
Authorised:		
Ordinary shares of £1 each	£10,000	£10,000
Allotted, called up and fully paid:		
Ordinary shares of £1 each	£2	£2

Ultimate holding company

11 The ultimate holding company is Control Risks Group Limited, a company incorporated in Great Britain.

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FOR THE INFORMATION OF DIRECTORS ONLY

CONTROL RISKS SPECIALIST SERVICES LIMITED

Detailed profit and loss account
for the year ended 31 March 1991

	1991 £	£	1990 £	£
INCOME				
Fees		1,526,671		1,287,956
EXPENSES				
Employment cost	614,131		496,530	
Rent, rates, service charges	71,442		65,480	
Postage, printing, stationery	13,706		15,668	
Telephone, telex	13,017		10,576	
Machine rent	144		861	
Management charge	150,113		81,237	
Car expenses	20,080		16,836	
Travel and entertaining	13,939		18,284	
Legal and professional fees	5,898		5,138	
Audit fee	4,500		3,750	
Consultancy fees	313,511		339,166	
Insurances	21,735		20,882	
Repairs and renewals	8,326		4,392	
Sundry office expenses	8,127		8,214	
Light and heat	2,038		1,257	
Bad debts written off	65,879		2,850	
Loss/(profit) on exchange	2,953		(1,299)	
Computer charges	46,863		50,556	
		(1,376,402)		(1,140,378)
Profit before taxation		£150,269		£147,578