

Company Registration No. 03749819 (England and Wales)

**G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

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# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	M Cantle A Cocks D B Faggart
<b>Secretary</b>	R Bartlett
<b>Company number</b>	03749819
<b>Registered office</b>	6th Floor, 50 Broadway, London, SW1V 1HU
<b>Independent Auditors</b>	Deloitte LLP 1 New Street Square London EC4A 3HQ

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **STRATEGIC REPORT**

**For the year ended 31 December 2022**

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The directors present their directors' report, strategic report and audited financial statements for the year ended 31 December 2022.

### **Principal activities**

The principal activity of the company continued to be that of a professional investigations agency.

### **Fair review of the business**

During the year ended 31 December 2022, the business achieved revenue of £14,236,700 compared to £12,640,925 in the prior year. This represents an increase of 12.6% when comparing to the prior year. The increase comes from continued recovery from the trading conditions experienced in lockdown. However, the increase was partially offset by the impact of reforms to the insurance market arising from the implementation of the Civil Liability Act 2018 and the Whiplash Reforms of 2021.

Profit before tax was £1,025,435 which was 7.2% of revenue compared to £679,994 (5.4%) in the prior year. The increase in profitability was driven by the recovery from the impact of Covid on revenue in the year but also reflected a drive for productivity through the use of technology including video interviewing and self-interviewing software. In 2021 the company received additional support from government wage subsidy grants of £420,927. None was received in 2022.

The company's net assets at the year-end are £5,998,809 compared to £4,884,252 in the prior year being an increase of £1,114,557.

The company remains a leading investigation services supplier to the insurance industry. The company continues to deal with over 35 UK insurers.

In 2021, the G4S plc Group was acquired by Atlas UK Bidco Limited. Subsequently G4S plc re-registered as a private company limited by shares, changing its name to G4S Limited. G4S Limited is the parent of the G4S Limited Group ("the Group"). As a result of the acquisition, the Company is now a subsidiary of Atlas Ontario LP. Atlas Ontario LP is the ultimate parent of the Atlas Ontario LP Group ("the Enlarged Group"). Atlas Ontario LP is a limited partnership, formed on 24 November 2021 under the laws of the province of Ontario, Canada.

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **STRATEGIC REPORT**

**For the year ended 31 December 2022**

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### **Future developments**

The business expects to continue its focus on providing investigative services to the insurance industry. Together with the accumulation of new customers for traditional services, the business's strategy includes diversification into wider insurance claims services and the development and deployment of technology based solutions in these areas.

The directors have reviewed future forecasts for the company and post balance sheet events. In doing so, the directors have not identified any factors which would have a material impact on the true and fair view of the company's financial position at 31 December 2022.

### **Key performance indicators**

The company utilises a wide range of operational performance measures across its business activities. Revenue growth, operating margin and operating cashflow are the principle key performance indicators. Other are activity or contract specific. The company's directors do not believe that further key performance indicators are necessary or appropriate for an understanding of the development, performance or position of the business as a whole.

### **Principal risks and uncertainties**

All businesses are subject to risk and many individual risks are macro-economic or social and common across many businesses. The key risks are those which would materially damage the company's strategy, reputation, business, profitability or assets and these risks are listed below (including Financial Risks). This list is in no particular order and is not an exhaustive list of all potential risks. Some risks may be unknown and it may transpire that others currently considered immaterial become material.

The principal market in which the company operates is the UK insurance industry. Risks can therefore arise from changes in regulations and laws impacting the industry, affecting the volume of claims investigation work and therefore, our revenue.

The changing market has forced insurers to re-think their own strategy and more acquisitions or mergers cannot be ruled out. This could potentially place the company at risk but with revenue placed across 35 insurers, we consider the risk is minimized.

2022 saw reforms to the insurance market arising from the implementation of the Civil Liability Act 2018. It is likely that volumes of motor accident investigations will be impacted and in particular in relation to claims involving whiplash. The risks have been mitigated by pursuit of a diversification of investigation services and the cross skilling of investigative staff.

All developing situations are monitored through close dialogue with the company's wider customer base.

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **STRATEGIC REPORT (CONTINUED)**

**For the year ended 31 December 2022**

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### **Statement by the directors in performance of their statutory duties in accordance with Section 172(1) Companies Act 2006**

The Board's engagement with the company's stakeholders helps frame the company's strategic direction, informs the Board's decision making process and overall supports the Board's duty to promote the success of the company as set out in Section 172 of the Companies Act 2006. The directors of the company consider that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole.

The following paragraphs summarise how directors fulfil their duties:

#### *Long-term view*

Assessment of long-term consequences of our decisions is at the heart of our risk-management strategy. On an annual basis the Board of directors assesses the major risks affecting the Company and develops mitigating strategies to reduce the likelihood of those risks crystallising. In turn, these strategies form the basis for the company's financial budgets, resource planning and capital spend, setting the general direction for the company. The financial budgets and other plans undertake scrutiny both from the managers directly involved in each functional area, as well as the group. This approach ensures that the company's strategy is able to address the ever-changing risk landscape, maintains the long-term focus and is aligned with the core values of the group.

For more details on the principal risks and uncertainties affecting the company, refer to the description of principal risks and uncertainties above.

#### *Our employees*

Our employees are our most important asset and our success is underpinned by the way we lead and engage with our people. Attraction, retention and development of talent form the cornerstone of the company's success. The directors strive to create a culture of engagement and inclusion, where every employee's contribution is valued and diversity of the team is celebrated. In particular, the directors have taken steps to promote the training materials for new and existing employees, strengthening the processes of onboarding as well as continuous education. Furthermore, the directors promoted our whistleblowing hotline, "Speak Out", emphasising the importance of ethical behaviour to the company's core values. What is more, the directors maintain an active dialogue with the employees and employee representatives, fostering open communication channels and enabling exchange of ideas and expectations.

#### *Business relationships*

We view our customers and suppliers not merely as business parties, but as partners in delivering value and innovation. Our long-term customer relationships are based upon trust and understanding of our customers' business needs and objectives. Through those customer relationships and connections we look to deliver sustainable long-term growth in revenues, profitability and cash flow. We seek to retain current customers and proactively engage in dialogue.

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## STRATEGIC REPORT (CONTINUED)

For the year ended 31 December 2022

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### **Statement by the directors in performance of their statutory duties in accordance with Section 172(1) Companies Act 2006 - continued**

Our suppliers help us to deliver our values. We have a responsible purchasing policy consistent with our business ethics and all our suppliers sign up to our Supplier Code of Conduct.

These actions aim to enhance our relationship not only with our customers and suppliers, but stakeholders at large. Our operations promote security and stability of communities through local engagement programs, economic contributions as well as activity in the industry forums.

#### *Community and environment*

The company plays an important role in society, providing decent employment opportunities and delivering essential services to help keep society safe and secure. The group engages with various stakeholder groups and experts on Environmental, Social and Governance ('ESG') matters, including government, employee representatives, industry bodies, NGO's and ESG analysts. The Group undertakes a regular materiality assessment to determine its ESG priorities - (1) Employee health, safety and wellbeing, (2) Human rights, (3) Anti-bribery and corruption, (4) Culture, values and behaviour. The group also recognises the growing importance of diversity and inclusion through our organisation and the impact of climate change.

The group recognises that our business activities have a direct and indirect impact on the natural environment and are committed to proactively managing these in a responsible manner. The development of a sustainable business practice helps to increase the efficiency of operations and reduce the resource footprint. In 2022, G4S Group in the UK committed to achieving Net-Zero carbon emissions (as defined by the Net-Zero Standard) by 2050, at the latest. The plan sets targets of a 42% reduction in absolute Scope 1 and 2 emissions and a 25% absolute reduction in Scope 3 emissions, from a 2021 baseline. The targets have been submitted to the Science Based Targets Initiative (SBTi) for verification.

#### *Our reputation*

Strong brand and reputation differentiate us in the competitive marketplace. We hold ourselves, our employees and our business partners to high standards, embodied in the set of our corporate values. These values promote a culture and business interactions based on Integrity, Respect, Safety, Security, Service Excellence, Innovation and Teamwork. We build and maintain our reputation in our day-to-day activities, engaging proactively with our customers, suppliers, employees and other stakeholders, anticipating potential issues and proceeding to a timely resolution. We deliver on our promises and we lead by example.

#### *Culture and values*

The Board recognises the importance of having the right corporate culture. Our long-term success depends on achieving our strategic goals in the right way, so we look after the best interests of our clients, people and other stakeholders. Through the use of employee and management workshops, we have identified six core values that govern how we act as a business and these include customer focus, expertise, best people, innovation, integrity, and performance.

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## STRATEGIC REPORT (CONTINUED)

For the year ended 31 December 2022

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### Statement by the directors in performance of their statutory duties in accordance with Section 172(1) Companies Act 2006 – continued

#### *Acting fairly*

The company is a subsidiary of Atlas Ontario LP and has no external shareholders. We maintain a continuous and open dialogue with our ultimate parent, Atlas Ontario LP, and ensure we stay aligned with the Enlarged Group's values and strategies.

#### **Financial Risk Management**

##### Liquidity and cash flow

Management of this risk is primarily aimed at ensuring that the company always has a liquidity buffer that can in the short term absorb the net effect of transactions made and expected changes in liquidity under both normal and stressed conditions. The directors manage this liquidity risk through monitoring cash requirements and forecasting the company's cash position against the available capital.

The company's forecasts take account of possible changes in trading performance and show that the company is capable of operating well within its current financing facilities. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and therefore they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### Credit risk

The company considers credit risk to be a financial loss to the company arising if a customer fails to meet its contractual obligations and arises mainly from trade debtors. The directors consider there to be little concentration of credit risk in respect of trade debtors as the company's customers are diverse. The directors have in place credit checking procedures and continue to monitor and react to changes in customers' own circumstances.

Approved by the Board and signed on its behalf by

*Andrew Cocks*

A Cocks

Director

02 November 2023

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **DIRECTORS' REPORT**

**For the year ended 31 December 2022**

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### **Results and dividends**

The results for the year are set out in the income statement on page 16. The directors do not recommend the payment of a dividend (2021: £Nil).

### **Future developments and financial risk management**

Future developments and financial risk management are set out in the strategic report on pages 3 to 7.

### **Directors**

The directors of the company during the year ended 31 December 2022 and subsequently, were:

M Cantle  
A Cocks  
D B Faggart

### **Payment to suppliers**

The policy of payment of suppliers of the company is disclosed in the Financial Review of the ultimate parent company's financial statements which are publicly available. Details can be found in note 17 to the financial statements.

### **Employment of disabled persons**

It is the policy of the company to give fair consideration to applications for employment made by disabled persons acknowledging the particular abilities and aptitudes of each applicant and taking into account the requirements of the vacancies available.

In the event of a member of staff becoming disabled, every effort is made via the company's Occupational Health Adviser to ensure that their employment with the company continues and that appropriate help is given to assist the member of staff.

It is the policy of the company to ensure that the training, career development and promotion of a disabled person, should, as far as possible, be identical to that of a person who does not suffer any disability.

### **Employee involvement**

The company is committed to inform and involve its staff in the business of the company. A formal consultative committee exists to ensure that issues of mutual interest can be discussed and resolved. Regular communications are used to keep staff informed of events within the company.

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**For the year ended 31 December 2022**

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### **Financial Risks**

Details of financial risk management policies and risks are included in the strategic report.

### **Environmental matters**

The company's business is not one that has a significant direct impact on the environment. However, the company recognises the importance of its responsibilities to reduce environmental impact in such areas as energy usage, recycling, environmentally-friendly products and paper products, where it operates in accordance with the policies of G4S Ltd as detailed in G4S Ltd's annual report.

The Company is exempted from the Streamlined Energy & Carbon Reporting requirements by virtue of not being a medium or large company.

### **Directors' Indemnity**

Allied Universal Topco LLC has granted indemnities to each of the Company's directors to the extent permitted by law. Qualifying third-party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the year ended 31 December 2022 and remain in force in relation to certain losses and liabilities which the directors may incur to third parties in the course of acting as directors. Allied Universal Topco LLC has maintained a directors' and officers' liability insurance policy throughout the year under review.

### **Auditors**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

### **Reappointment of auditors**

A resolution was passed at the annual general meeting of G4S Ltd to reappoint Deloitte LLP as the company's auditors.

## **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

**For the year ended 31 December 2022**

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#### **Going concern**

The directors have considered the impact of evolving political, economic, environmental and commercial issues which have the potential to impact the business. These include pandemics, price inflation and volatility, conflict between Ukraine and Russia, climate change and changes to the insurance sector. The company produces regular financial model updates that forecast the company cashflows on a rolling five year basis. This financial model indicates that the company will be able to operate within its current finance facilities and that no additional funding will be required in the next 12 months.

The Company has net assets of £5,998,809 and net current assets of £5,121,147 at the year end. In addition, the Company generated a profit of £1,114,557 during the year. The Directors have considered this, along with the expected activities of the Company for a period of at least 12 months from the date of signing, and have reached the conclusion that the Company will be able to meet its future obligations as they fall due and the financial statements have been prepared on a going concern basis.

Approved by the Board and signed on its behalf by:

*Andrew Cocks*

A Cocks

**Director**

02 November 2023

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

**For the year ended 31 December 2022**

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### **Directors' responsibilities statement**

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), including FRS 101 "Reduced Disclosure Framework". 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 then 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 corporate and financial information included in the company's website. Legislation in the United Kingdom governing preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **Independent auditor’s report to the members of G4S Investigation Solutions (UK) Limited**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of G4S Investigation Solutions (UK) Limited (the ‘company’):

- give a true and fair view of the state of the company’s affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 “Reduced Disclosure Framework”; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 “Reduced Disclosure Framework”.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council’s (the ‘FRC’s’) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# **Independent auditor's report to the members of G4S Investigation Solutions (UK) Limited**

## **Report on the audit of the financial statements (continued)**

### **Other information**

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of directors**

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

# **Independent auditor's report to the members of G4S Investigation Solutions (UK) Limited**

## **Report on the audit of the financial statements (continued)**

**Extent to which the audit was considered capable of detecting irregularities, including fraud**  
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included Companies Act 2006 and UK tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These include payroll, health and safety laws and regulations and tax laws.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in revenue recognition pertaining to the occurrence and accuracy of manual adjustments made to revenue, which is a presumed risk under ISAs (UK) and our procedures performed to address it are described below:

- Understanding the nature of the journals and adjustments that are made to record revenue; and
- Performing substantive procedures by selecting a sample of manual adjustments posted to revenue and tracing them to sufficient and appropriate audit evidence.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

## **Independent auditor's report to the members of G4S Investigation Solutions (UK) Limited**

### **Report on the audit of the financial statements (continued)**

- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

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

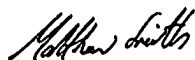
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 opinions we have formed.



Matthew Smith, (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditor  
Manchester, United Kingdom  
2 November 2023

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## INCOME STATEMENT

For the year ended 31 December 2022

		2022	2021
		£	£
	Notes		
<b>Revenue</b>	<b>2</b>	<b>14,236,700</b>	12,640,925
Cost of sales		<u>(10,749,273)</u>	<u>(9,987,738)</u>
<b>Gross profit</b>		<b>3,487,427</b>	2,653,187
Administrative expenses		(2,567,869)	(2,459,375)
Other operating income	3	=	<u>420,927</u>
<b>Operating profit</b>	<b>2</b>	<b>919,558</b>	614,739
Net finance income	4,5	<u>105,877</u>	<u>65,255</u>
<b>Profit before taxation</b>		<b>1,025,435</b>	679,994
Tax on profit	8	<u>89,122</u>	<u>(384,947)</u>
<b>Profit for the financial year</b>		<b><u>1,114,557</u></b>	<u>295,047</u>

Revenue and profit for the financial year are all derived from continuing operations.

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

		2022	2021
	Note	£	£
<b>Non-current assets</b>			
Intangible assets	9	32,764	67,577
Property, plant and equipment	10	314,195	163,081
Deferred tax assets	11	361,871	31,445
Trade and other receivables	12	<u>341,208</u>	<u>133,200</u>
		1,050,038	395,303
<b>Current assets</b>			
Trade and other receivables	13	7,843,271	6,525,940
Inventory		23,949	38,644
Cash and cash equivalents		<u>74,663</u>	<u>227,441</u>
		7,941,883	6,792,025
<b>Total Assets</b>		<u>8,991,921</u>	<u>7,187,328</u>
<b>Current liabilities</b>			
Trade and other payables	14	(2,730,709)	(2,243,635)
Lease liabilities	15	<u>(90,027)</u>	<u>(41,856)</u>
		(2,820,736)	(2,285,491)
<b>Net current assets</b>		5,121,147	4,506,534
<b>Non-current liabilities</b>			
Lease liabilities	15	(172,376)	(17,585)
<b>Total Liabilities</b>		<u>(2,993,112)</u>	<u>(2,303,076)</u>
<b>Net assets</b>		<u>5,998,809</u>	<u>4,884,252</u>
<b>Equity</b>			
Called up share capital	16	100,000	100,000
Retained earnings		<u>5,898,809</u>	<u>4,784,252</u>
<b>Total equity</b>		<u>5,998,809</u>	<u>4,884,252</u>

The notes on pages 20 to 41 form an integral part of these financial statements.

The financial statements were approved by the Board and Directors on 02 November 2023 and were signed on their behalf by:

A Cocks  
Director *Andrew Cocks*

Company registered number 3749819

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

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	<b>Share Capital</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
As at 1 January 2022	100,000	4,784,252	4,884,252
Profit for the financial year	-	1,114,557	1,114,557
Total comprehensive income for the year	-	<u>1,114,557</u>	<u>1,114,557</u>
As at 31 December 2022	<u>100,000</u>	<u>5,898,809</u>	<u>5,998,809</u>

	<b>Share Capital</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
As at 1 January 2021	100,000	4,489,205	4,589,205
Profit for the financial year	-	295,047	295,047
Total comprehensive income for the year	-	<u>295,047</u>	<u>295,047</u>
As at 31 December 2021	<u>100,000</u>	<u>4,784,252</u>	<u>4,884,252</u>

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2022**

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### **1. Significant accounting policies.**

#### **General Information**

G4S Investigation Solutions (UK) Limited (the 'company') is incorporated in the United Kingdom, under the Companies Act 2006, registered in England and Wales, and domiciled in the UK. It is a private company, limited by shares. The company's registered office is 6th Floor, 50 Broadway, London, SW1V 1HU. The principal activity of the company continued to be that of a professional investigations agency.

The financial statements are presented in sterling, which is the company's functional currency, and in pounds unless stated otherwise.

#### **Basis of Accounting**

These financial statements were prepared in accordance with Financial Reporting Standard ('FRS') 101 'Reduced Disclosure Framework'. The company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council.

#### **Basis of preparation**

The financial statements of the company have been prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" (FRS 101).

The Company has net assets of £5,998,809 and net current assets of £5,121,147 at the year end. In addition, the Company generated a profit of £1,114,557 during the year. The Directors have considered this, along with the expected activities of the Company for a period of at least 12 months from the date of signing, and have reached the conclusion that the Company will be able to meet its future obligations as they fall due. The financial statements have therefore been prepared on a going concern basis, under the historical cost convention and in accordance with the companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed later in note 1.

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2022**

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### **1. Significant accounting policies (continued)**

#### **Exemptions**

The Company has taken advantage of certain disclosure exemptions in FRS 101, in part because its financial statements are included in the publicly available consolidated financial statements of Atlas Ontario LP. Copies of the consolidated financial statements of Atlas Ontario LP may be obtained from the G4S website ([www.g4s.com](http://www.g4s.com)).

These disclosure exemptions relate to:

- IAS 7 “Statement of cash flows”;
- The requirement of paragraph 38 of IAS 1 “Presentation of Financial Statements” to present comparative information in respect of: paragraph 79 (a) (iv) of IAS 1, paragraph 73 (e) of IAS 16 “Property, Plant and Equipment” and paragraph 118 (e) of IAS 38 “Intangible Assets”;
- IFRS 7 “Financial Instruments: Disclosures”;
- Paragraphs 91 to 99 of IFRS 13 “Fair Value Measurement” (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- The requirements of the second sentence of paragraph 110 and paragraphs 113 (a), 114, 115, 118, 119 (a)-(c), 120-127 and 129 of IFRS 15 “Revenue from contracts with customers”;
- The requirements of paragraphs 52, 58, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 “Leases”;
- Paragraphs 45 (b) and 46 to 52 of IFRS 2 “Share-based Payment” (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined);
- Paragraph 17 of IAS 24 “Related Party Disclosures” (key management compensation); and
- The requirements in IAS 24 “Related Party Disclosures” to disclose related party transactions entered into between two or more members of a group.

#### **New standards, amendments, IFRIC interpretations and new relevant disclosure requirements.**

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2022 that have a material impact on the Company’s financial statements.

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2022**

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### **1. Significant accounting policies (continued)**

#### **Revenue**

The company has no revenue other than that arising from contracts with customers. For the majority of the company's services, the company's right to consideration from its customers equates to the value of services supplied to the customer. Where that is the case, the practical expedient has been applied under IFRS 15 to recognise revenue when the services are provided for the amount that the company has a right to invoice for those services.

For the majority of the company's contracts, invoices are raised in the month or months after the delivery of services. Accrued income arises in relation to services provided that have not been invoiced at the year end. For some contracts, payments are received in advance of the performance of the related services and are recognised within deferred income until the related services are delivered.

#### **Employee benefits**

##### *Retirement benefit costs*

Payments to defined contribution schemes are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefits scheme.

#### **Government grants**

The company has taken advantage of government support made available to businesses to help mitigate the impact of COVID-19. In recognising this support in the financial statements, the company has applied IAS 20 Government Grants. Grant income is recognised only when it is reasonably certain that the cash will be received, and that all eligibility criteria have been met. To the extent that there are ongoing eligibility or performance criteria, grant income is spread over the relevant period of measurement.

#### **Finance income and expense**

Finance income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable. This is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset's net carrying amount.

Finance costs are recognised as an expense in the income statement on the same basis.

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2022

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### 1. Significant accounting policies (continued)

#### Foreign currencies

The financial statements are presented in sterling, which is the company's functional currency. Transactions in currencies other than the functional currency are translated at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities which are denominated in other currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items measured at historical cost denominated in other currencies are not retranslated. Gains and losses arising on retranslation are included in the income statement.

#### Income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and any provision for impairment. Depreciation is provided on all property, plant and equipment other than freehold land. Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold land and buildings	Period of lease
IT and hardware	3 to 15 years
Fixtures, fittings and equipment	3 to 15 years

Assets under construction are not depreciated until they are ready for use.

Assets held under finance leases are depreciated over the shorter of the expected useful economic life and the term of the relevant lease. Where significant, the residual values and the useful economic lives of property, plant and equipment are re-assessed annually.

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2022**

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### **1. Significant accounting policies (continued)**

#### **Intangible assets**

Capitalised computer software is stated at cost, net of amortisation and any provision for impairment. Amortisation is charged on software so as to write off the cost of the assets to their estimated residual values by equal annual instalments over their expected useful economic lives up to a maximum of eight years.

#### **Trade receivables**

Trade receivables are initially recognised at fair value which, unless there is a significant financing component, represents the amount of consideration that is unconditional. These are subsequently carried at amortised cost using the effective interest method less loss allowances. Loss allowances are determined using expected loss rates which are calculated taking into account payment profiles over a period of 36 months before the balance sheet date and the corresponding historical credit losses experienced within this period. The expected loss rates are adjusted for current and forward-looking local economic and market conditions.

#### **Inventory**

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Estimated selling price less costs to complete and sell is based on the estimated selling price of the goods less any estimated completion or selling costs likely to be incurred on the sale.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and short-term call deposits.

The Company is included within a group composite banking arrangement with certain fellow subsidiary undertakings. The details of the guarantee are disclosed in the consolidated financial statements of Atlas Ontario LP.

#### **Trade payables**

Trade payables are not interest-bearing, are stated initially at fair value and are subsequently measured at amortised cost using the effective interest method.

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2022**

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### **1. Significant accounting policies (continued)**

#### **Leases**

The company leases a number of its vehicles. Rental contracts are typically made for fixed periods of three to five years but may have extension options.

Contracts may contain both lease and non-lease components. The company has elected to apply the practical expedients of IFRS 16 not to separate non-lease components from lease components (as permitted by paragraph 15 of IFRS 16) and instead accounts for these as a single lease component.

The company recognises a right-of-use asset and a corresponding liability from the date when the leased asset is available for use. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the company under residual value guarantees;
- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Company's leases, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2022**

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### **1. Significant accounting policies (continued)**

#### **Leases (continued)**

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third-party financing; and
- makes adjustments specific to the lease, e.g. term, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company uses that rate as a starting point to determine the incremental borrowing rate.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value leases have been defined by the Company as leases for an asset for which the present value of future lease payments is less than £2,500.

Lease liabilities are measured at the present value of the future lease payments including fixed payments, in-substance fixed payments, and variable lease payments that are based on an index or a rate, less any lease incentives receivable. The Company applies the practical expedient to include non-lease components in the measurement of lease liabilities. Lease liabilities also take into account amounts payable under residual value guarantees and payments to exercise options to the extent that it is reasonably certain that such payments will be made. The payments are discounted at the rate implicit in the lease or, where that cannot be measured, at an incremental borrowing rate determined based on publicly available data for liabilities with matching start dates, terms and currencies, adjusted for the country-specific risk of the lessee. No adjustment is made to reflect the nature of the leased assets on the basis that a lender would not make a material adjustment to the borrowing rate to reflect the nature of the underlying assets.

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2022**

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### **1. Significant accounting policies (continued)**

#### **Leases – continued**

Lease assets are measured based on the value of the associated lease liability, adjusted for any payments made before inception and initial direct costs. Subsequent to initial recognition, the company records and interest charge in respect of the lease liability. The related right-of-use asset is depreciated over the term of the lease or, if shorter, the useful economic life of the leased asset unless it is reasonably certain that the Company will acquire the asset at the end of the lease in which case it is recognised over the asset's useful economic life. Lease liabilities are adjusted for changes to the future cash flows due to the lease (for example, changes based on movements in indexes or rates) with a corresponding adjustment typically made to the associated asset.

#### **Impairment**

The carrying value of the company's assets, with the exception of deferred tax assets, is reviewed on an ongoing basis for any indication of impairment and, if any such indication exists, the assets' recoverable amount is estimated. An impairment loss is recognised in the income statement whenever the carrying value of an asset or its cash-generating unit exceeds its recoverable amount.

An impairment loss in respect of goodwill is not reversed. In respect of any other asset, an impairment loss is reversed if there has been a change in the estimates used to determine its recoverable amount. The amount of the reversal is limited such that the asset's carrying amount does not exceed that which would have been determined (after depreciation and amortisation) if no impairment loss had been recognised.

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2022**

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### **1. Significant accounting policies (continued)**

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Financial instruments**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

#### *Trade receivables*

Trade receivables do not carry interest and are stated initially at their fair value. The company applies IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

#### *Amounts owed by/to group undertakings*

Amounts owed by/to group undertakings are recognised initially at fair value and are subsequently stated at amortised cost.

#### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits.

#### *Bank overdrafts and loans*

Interest-bearing bank overdrafts and loans are recognised at the value of proceeds received, net of direct issue costs.

#### *Trade payables*

Trade payables are not interest-bearing and are stated initially at fair value.

#### *Equity instruments*

Equity instruments and financial liabilities are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that provides a residual interest in the assets of a business after deducting all other liabilities. Shares issued by the company classified as equity instruments are recorded at the value of proceeds received, net of direct issue costs.

# **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2022**

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### **1. Significant accounting policies (continued)**

#### **Critical accounting estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of the company's accounting policies. These judgements, estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, including current and expected economic conditions.

Although these judgements, estimates and associated assumptions are based on management's best knowledge of current events and circumstances, the actual results may differ.

#### **Critical accounting estimates and assumptions**

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The estimates and assumptions which are of most significance in preparing the company's financial statements are detailed below:

##### *Trade receivables*

Trade receivables are initially recognised at fair value which, unless there is a significant financing component, represents the amount of consideration that is unconditional. These are subsequently carried at amortised cost using the effective interest method less loss allowances. Loss allowances are determined using expected loss rates which are calculated taking into account payment profiles over a period of 36 months before the balance sheet date and the corresponding historical credit losses experienced within this period. The expected loss rates are adjusted for current and forward-looking local economic and market conditions. At the year end trade receivables were £ 1,812,754 (2021 £1,503,698) against which a provision of £198,868 was made (2021 £131,548.) The provision in 2022 represents 11.0% of trade receivables (2021 8.7%.) A 1% change to the loss rate would impact the company's results and net worth by £17,920 (2021 £15,039.)

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2022

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### Critical accounting estimates and assumptions (continued)

#### *Accrued Income*

At each period end, the company recognises the value of partially completed assignments. The value is based on the following estimates and assumptions. Each assignment is valued by our task management system which uses the rolling average value of assignments invoiced over the previous 12 months by reference to its job type and customer. That value is multiplied by the percentage completion as recorded in the company's task management system. Loss allowances are then applied using the same methodology as described in Trade Receivables above. Management also uses judgement to assess the value of bespoke contracts which are managed outside the task management system.

### Critical judgements in applying the entity's accounting policies

There are no judgements which are of significance in the preparation of the company's financial statements.

## 2. Revenue

Revenue arose from the company's principal activity, investigation services, and originated in the United Kingdom, Europe and the rest of the world. The amount of turnover by region is as follows:

	2022 £	2021 £
UK	14,172,091	12,468,238
Europe	52,216	142,247
Rest of world	<u>12,393</u>	<u>30,440</u>
	<u>14,236,700</u>	<u>12,640,925</u>

### Operating profit

Arrived at after charging:

	2022 £	2021 £
Depreciation expense	154,549	172,249
Amortisation expense (included in administrative expenses)	34,813	36,507

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2022

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### 2. Revenue (continued)

Contract balances and related disclosures relating to revenue from contracts with clients are included in the following notes to the Company's accounts.

	2022 £	2021 £
Contract assets: in note 13 referred to as accrued income	486,517	363,750
Contract liabilities: in note 14 referred to as deferred income	45,872	129,182

The Companies performance obligations are simple. Invoices are raised on completion of each assignment or at agreed stages of completion. In a small minority of arrangements, certain services which cannot be completed or are completed outside agreed time periods are not invoiced to the customer. The Company does not offer returns or refunds or warranties concerning the general provision of services.

### 3. Other Operating Income

	2022 £	2021 £
Government grants	=	<u>420,927</u>

In response to the COVID-19, in March 2021 the UK government introduced a wage subsidy programme for companies adversely impacted by the coronavirus pandemic. Under the initial programme, an eligible company could apply for the subsidy in an amount of up to 80% of each employee's salary to continue paying monthly salaries to its furloughed employees.

The company's application for the programme was approved in March 2021 and it was entitled to the wage subsidy on a monthly basis conditional on the employees continuing to be on furlough and the company continuing paying their salary. The company benefited from the programme from April to December 2021.

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2022

### 4. Finance Income

	2022 £	2021 £
Interest received from group undertakings	<u>108,411</u>	<u>67,833</u>

### 5. Finance Expense

	2022 £	2021 £
On leases	<u>2,534</u>	<u>2,578</u>

### 6. Staff Costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Wages and salaries	7,647,786	7,601,253
Social security costs	794,196	766,257
Other pension costs	267,546	330,786
Redundancy costs	<u>25,636</u>	<u>16,971</u>
	<u>8,735,164</u>	<u>8,715,267</u>

The average monthly number of persons (including directors) employed by the company, analysed by category were as follows:

	2022 Number	2021 Number
Directors	3	3
Administration	14	18
Direct	<u>213</u>	<u>210</u>
	<u>230</u>	<u>231</u>

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2022

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### 6. Staff Costs (continued)

#### Directors' emoluments

	2022 £	2021 £
Emoluments for qualifying services	<u>£312,560</u>	<u>£292,829</u>
Emoluments disclosed above include the following amounts paid to the highest paid director:		
Emoluments for qualifying services	<u>£183,760</u>	<u>£167,200</u>

There were no directors with pension benefits accruing under a defined benefit pension scheme at year end (2021: none).

### 7. Auditors remuneration

	2022 £	2021 £
Audit of the financial statements	<u>18,000</u>	<u>18,000</u>

There were no non-audit fees paid to the auditors.

### 8. Tax on profit

#### Tax charged in the income statement

	2022 £	2021 £
<b>Current taxation</b>		
UK corporation tax	245,854	172,178
Adjustment in respect of prior periods	<u>(4,550)</u>	<u>34,103</u>
Current tax charge	<u>241,304</u>	<u>206,281</u>
<b>Deferred taxation</b>		
Arising from origination and reversal of temporary differences	(34,240)	(10,395)
Arising from changes in tax rates and laws	(10,814)	196,608
Arising from previously unrecognised tax loss, tax credit or temporary differences	<u>(285,372)</u>	<u>(7,547)</u>
Total deferred taxation	<u>(330,426)</u>	<u>178,666</u>
Tax charge in the income statement	<u>(89,122)</u>	<u>384,947</u>

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2022

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### 8. Tax on profit on ordinary activities (continued)

The tax rate applied on profit before tax is the standard effective rate of corporation tax in the UK of 19.0% (2021: 19.0%).

The differences are reconciled below:

	2022	2021
	£	£
Profit before taxation	<u>1,025,435</u>	<u>679,994</u>
Corporation Tax of 19.0% at standard rate (2021:19.0%)	<u>194,833</u>	<u>129,199</u>
Current tax adjustments in respect of prior years	(4,550)	34,103
(Recognition)/derecognition of deferred tax assets	(285,372)	196,608
Increase in current tax due to permanent differences	16,781	10,732
Deferred tax credit following a change in tax rates	(10,814)	(7,547)
Amounts not recognised	=	<u>21,852</u>
<b>Total tax (credit)/charge</b>	<u><b>(89,122)</b></u>	<u><b>384,947</b></u>

The standard effective rate of corporation tax for the current year is the same as the prior year.

#### Factors that may affect future tax charges

In the Spring Budget 2021, the Government announced that from 1 April 2023, the corporation tax rate will increase to 25.0% for companies. This new law was substantively enacted on 24 May 2021.

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2022

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### 9. Intangible assets

	Software £
<b>Cost</b>	
At 1 January 2022	509,913
Additions	-
Disposals	<u>(320,349)</u>
At 31 December 2022	<u>189,564</u>
<b>Accumulated amortisation</b>	
At 1 January 2022	442,336
On disposals	<u>(320,349)</u>
Amortisation charge	34,813
At 31 December 2022	<u>156,800</u>
<b>Carrying amount</b>	
At 31 December 2022	<u>32,764</u>
At 31 December 2021	<u>67,577</u>

**G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2022

**10. Property, plant and equipment**

	<b>Land and buildings purchased</b>	<b>Land and buildings leased (RoU assets)</b>	<b>Equipment and vehicles purchased</b>	<b>Equipment and vehicles leased (RoU assets)</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>					
At 1 January 2022	<u>46,474</u>	=	<u>267,902</u>	<u>233,701</u>	<u>548,077</u>
Additions	-	-	12,795	292,868	305,663
Disposals	-	-	(57,876)	(123,884)	(181,760)
At 31 December 2022	<u>46,474</u>	=	<u>222,821</u>	<u>402,685</u>	<u>671,980</u>
<b>Accumulated Depreciation</b>					
At 1 January 2022	<u>19,751</u>	=	<u>191,375</u>	<u>173,870</u>	<u>384,996</u>
On disposals	-	-	(57,876)	(123,884)	(181,760)
Charge for the year	<u>4,647</u>	=	<u>59,659</u>	<u>90,243</u>	<u>154,549</u>
At 31 December 2022	<u>24,398</u>	=	<u>193,158</u>	<u>140,229</u>	<u>357,785</u>
<b>Carrying amount</b>					
At 31 December 2022	<u>22,076</u>	=	<u>29,663</u>	<u>262,456</u>	<u>314,195</u>
At 31 December 2021	<u>26,723</u>	=	<u>76,527</u>	<u>59,831</u>	<u>163,081</u>

**G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2022

**10. Property, plant and equipment – continued**

	Land and buildings purchased	Land and buildings leased (RoU assets)	Equipment and vehicles purchased	Equipment and vehicles leased (RoU assets)	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2021	<u>46,474</u>	<u>121,198</u>	<u>467,844</u>	<u>971,611</u>	<u>1,607,127</u>
Additions	-	-	13,272	74,338	87,610
Disposals	-	(121,198)	(213,214)	(812,248)	(1,146,660)
At 31 December 2021	<u>46,474</u>	=	<u>267,902</u>	<u>233,701</u>	<u>548,077</u>
<b>Accumulated Depreciation</b>					
At 1 January 2021	<u>15,104</u>	<u>121,198</u>	<u>332,986</u>	<u>806,013</u>	<u>1,275,301</u>
On disposals	-	(121,198)	(213,214)	(728,142)	(1,062,554)
Charge for the year	<u>4,647</u>	=	<u>71,603</u>	<u>95,999</u>	<u>172,249</u>
At 31 December 2021	<u>19,751</u>	=	<u>191,375</u>	<u>173,870</u>	<u>384,996</u>
<b>Carrying amount</b>					
At 31 December 2021	<u>26,723</u>	=	<u>76,527</u>	<u>59,831</u>	<u>163,081</u>
At 31 December 2020	<u>31,370</u>	=	<u>134,858</u>	<u>165,598</u>	<u>331,826</u>

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2022

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### 10. Property, plant and equipment – continued

The total payments for leases under IFRS 16 is £91,922.

### 11. Deferred tax assets

	2022 £	2021 £
Accelerated tax depreciation	313,592	-
Provisions	<u>48,279</u>	<u>31,445</u>
Net tax assets	<u>361,871</u>	<u>31,445</u>

#### Deferred tax movements during the year:

	At 1 January 2022 £	Recognised in income statement £	Recognised in other comprehensive income £	At 31 December 2022 £
Fixed Assets	-	313,592	-	313,592
Provisions	<u>31,445</u>	<u>16,834</u>	=	<u>48,279</u>
Net Tax Assets	<u>31,445</u>	<u>330,426</u>	=	<u>361,871</u>

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2022

### Deferred tax movements during the prior year:

	At 1 January 2021	Recognised in income statement	Recognised in other comprehensive income	At 31 December 2021
	£	£	£	£
Accelerated tax depreciation	196,608	(196,608)	-	-
Provisions	<u>13,503</u>	<u>17,942</u>	=	<u>31,445</u>
Net Tax Assets	<u>210,111</u>	<u>(178,666)</u>	=	<u>31,445</u>

Deferred tax assets and liabilities on temporary differences have been calculated using the UK corporation tax rate which will apply in the period during which they are expected to reverse.

In the Spring Budget 2021, the Government announced that from 1 April 2023, the corporation tax rate will increase to 25%. This new law was substantively enacted on 24 May 2022. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Deferred tax assets and liabilities on temporary differences have been provided at 25%.

### 12. Trade and other receivables

Amounts falling due between one and three years

	2022 £	2021 £
Amounts due from group undertakings	<u>341,208</u>	<u>133,200</u>
	<u>341,208</u>	<u>133,200</u>

The amounts due take the form of a loan which is not interest bearing and due to mature on 15 December 2023. There will be repayments in 2023. After that the loan will be extended. The amounts above are considered non current as whilst the maturity of the loan is within the next 12 months, this element is not intended to be settled in the next 12 months.

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2022

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### 13. Trade and other receivables

Amounts falling due within one year

	2022	2021
	£	£
Trade receivables	1,812,754	1,445,698
Provision for impairment of trade receivables	<u>(198,868)</u>	<u>(131,548)</u>
Net trade receivables	1,613,886	1,314,150
Amounts due from group undertakings	5,638,295	4,727,880
Accrued income	486,517	363,750
Prepayments	<u>104,573</u>	<u>120,160</u>
	<u>7,843,271</u>	<u>6,525,940</u>

Included in the amounts due from group undertakings is £5,379,787 (2021 £4,351,549) relating to a loan agreement. Interest accrues at a rate equal to the three month GBP interbank offered rate plus 1%.

### 14. Trade and other payables

Amounts falling due within one year

	2022	2021
	£	£
Trade payables	333,948	346,541
Accrued expenses	624,127	400,187
Deferred income	45,872	129,182
Amounts owed to group undertakings	941,513	600,634
Social security and other taxes	<u>785,249</u>	<u>767,091</u>
	<u>2,730,709</u>	<u>2,243,635</u>

Amounts owed to group undertakings are trading in nature and attract no interest and are repayable on demand.

# G4S INVESTIGATION SOLUTIONS (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2022

### 15. Leases

#### Lessee arrangements

The company has a number of leases. The company's lease liabilities relate to properties, vehicles and equipment. The company's leases have a lease term between 1 and 5 years.

	2022 £	2021 £
Current	90,027	41,856
Non-current	<u>172,376</u>	<u>17,585</u>
Total	<u>262,403</u>	<u>59,441</u>

Maturity profile of loans and borrowings	Within 1 year £	Between 1 and 3 years £	Between 3 and 5 years £	Total £
2022	<u>90,027</u>	<u>172,376</u>	=	<u>262,403</u>
2021	<u>41,856</u>	<u>17,585</u>	=	<u>59,441</u>

The analysis of right-of-use assets including additions and depreciation is set out in note 10. The interest expense in relation to lease liabilities is disclosed in note 5.

### 16. Called up share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
70,000 (2021 70,000) Ordinary Shares "A" of £1 each	70,000	70,000
30,000 (2021 30,000) Ordinary Shares "B" of £1 each	<u>30,000</u>	<u>30,000</u>
	<u>100,000</u>	<u>100,000</u>

The "A" and "B" shares rank pari passu.

## **G4S INVESTIGATION SOLUTIONS (UK) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2022**

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#### **17. Parent undertaking**

The Company's immediate parent undertaking is G4S Government and Outsourcing Services (UK) Limited. The Company's ultimate parent undertaking and ultimate controlling party is Atlas Ontario LP, a limited partnership formed under the laws of the Province of Ontario, Canada. The registered office of Atlas Ontario LP is 1551 N Tustin Ave # 650, Santa Ana, California 92705, USA. Atlas Ontario LP is also the parent undertaking of both the smallest and largest groups which include the results of the Company and for which consolidated financial statements are prepared. Copies of the consolidated financial statements of Atlas Ontario LP are available from the G4S website ([www.g4s.com](http://www.g4s.com)).