

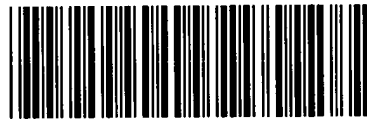
Registration number: 00664611

G4S International 105 (UK) Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2019

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G4S International 105 (UK) Limited

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G4S International 105 (UK) Limited

Company Information

Directors	S Lundsberg-Nielsen
	C A V Barroche
	T P Weller
Company secretary	V J Patel
Registered office	5th Floor, Southside
	105 Victoria Street
	London
	SW1E 6QT
Independent auditors	PricewaterhouseCoopers LLP
	Central Square
	29 Wellington Street
	Leeds
	LS1 4DL

G4S International 105 (UK) Limited

Strategic Report for the Year Ended 31 December 2019

The directors present their strategic report for the year ended 31 December 2019.

Fair review of the business

Principal activity

The principal activity of G4S International 105 (UK) Limited ("the Company") is that of an investment holding company.

Financial performance

The Company has net assets of £322,113,000 (2018: £77,433,000). The Company had amounts owed by Group undertakings of £296,581,000 (2018: £40,989,000) and amounts owed to Group undertakings of £2,454,000 (2018: £2,754,000).

The Company made a profit for the financial year of £244,489,000 (2018: £2,571,000). During the year, the Company disposed of its investments in G4S International Logistics (Australia) Pty Ltd, G4S International Logistics (Switzerland) AG, G4S Cash Solutions S.A., G4S International Logistics (Hong Kong) Ltd, G4S Fire and Safety SRL, G4S Group Holding (Asia) Limited and G4S International Logistics (South Africa) (Pty) Limited realising a total gain on disposal of £197,661,000 (2018: £Nil).

The directors consider the result for the year to be satisfactory.

Future developments

The directors expect the general level of activity of the Company to remain consistent with the prior years and the Company's principal activity is not expected to change substantially.

Key performance indicators

Given the straight-forward nature of the business, the directors are of the opinion that analysis using KPIs is not necessary for understanding of the performance or development of the business.

Principal risks and uncertainties

Given that the Company's principal activity is that of an investment holding company, the principal risks and uncertainties affecting the Company are managed as part of the wider strategy of G4S plc group ("the Group"). Full explanation of these risks is contained within the consolidated financial statements of G4S plc.

Copies of the consolidated financial statements for G4S plc are available upon request from the Company Secretary, 5th Floor, Southside, 105 Victoria Street, London, SW1E 6QT.

G4S International 105 (UK) Limited

Strategic Report for the Year Ended 31 December 2019 (continued)

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 G4S plc group ("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

Although the Company itself employs no direct staff, employees of other G4S plc Group companies provide services to the Company through the operations of the Shared Service Centre. We value all staff who contribute to the Company's performance. We believe that attraction, retention and development of talent form the cornerstone of success of the wider G4S plc's Group. The policies of the Group include creation of a culture of engagement and inclusion, where every employee's contribution is valued and diversity of the team is celebrated. The particular initiatives during the year include the promotion of the training materials for new and existing employees of the wider G4S plc group, strengthening the processes of onboarding as well as continuous education. Within the Group active dialogue is maintained with the employees and employee representatives, fostering open communication channels and enabling exchange of ideas and expectations.

Business relationships

As a result of the Company's activities, our primary business relationships are within the G4S plc Group. We engage in regular dialogue with fellow G4S plc companies, for example during budgeting exercises or during the monthly intercompany settlements. We aim to anticipate any issues before they arise and maintain solid communication channels to ensure that all parties have stayed well informed of the Company's plans and current activities.

Community and environment

Although the Company itself employs no direct staff, employees of other G4S plc Group companies provide services to the Company through the operations of the Shared Service Centre. As such, indirectly and via policies of the wider G4S plc Group, we engage with the local communities, government, industry bodies and environmental groups as part of our sustainable development goals strategy. The Group's key priorities include taking care of health and well-being of the employees through awareness training and ongoing programs, creation of new employment opportunities as well as prevention of crime aiming to generate safe working behaviour for our employees and sustainable communities.

Although our operations do not have a direct impact on the environment, we recognise our responsibility to combat climate change. As part of a wider G4S plc Group strategy, we aim to reduce the intensity of greenhouse gas emissions from our vehicles through implementing efficiencies in the way we operate and we recycle a significant proportion of our waste to minimise the amount of refuse disposed of in landfill.

G4S International 105 (UK) Limited

Strategic Report for the Year Ended 31 December 2019 (continued)

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

Our reputation

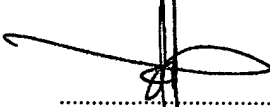
Strong brand and reputation differentiate G4S plc group in the competitive market place. The Company holds itself to high standards, embodied in the set of our corporate values. These values promote a culture and business interactions based on Integrity, Respect, Safety, Security, Service Excellence, Innovation and Teamwork.

We build and maintain our reputation in our day-to-day activities, engaging proactively with our subsidiaries, parent company and other stakeholders, anticipating potential issues and proceeding to a timely resolution. We deliver on our promises and we lead by example.

Acting fairly

The Company is a member of the G4S plc group and has no external shareholders. We maintain a continuous and open dialogue with our ultimate parent, G4S plc, and ensure we stay aligned with the Group's values and strategies.

Approved by the Board on 13/11/2020 and signed on its behalf by:


.....
C A V Barroche
Director

G4S International 105 (UK) Limited

Directors' Report for the Year Ended 31 December 2019

The directors present their report and the audited financial statements for the year ended 31 December 2019.

Directors of the Company

The directors of the Company, who were in office during the year and up to the date of signing, were as follows:

S Lundsberg-Nielsen

C A V Barroche

T P Weller

Results and dividends

The results for the year are set out on page 10. The directors do not recommend the payment of a dividend (2018: £Nil).

A review of the progress of the Company's business during the year, likely future developments, key performance indicators and principal business risks are contained in the Strategic Report on page 2.

Environmental matters

The Company's business does not have a significant direct impact on the environment. However, the Company recognises the importance of its responsibilities to reduce environmental impact in areas such as energy usage, recycling or environmentally-friendly products. In these areas the Company operates in accordance with the policies of G4S plc which are detailed in the G4S plc's annual report.

Financial risk management

The Company operates under the financial risk management objectives and policies of its ultimate parent, G4S plc, into which the results of the Company are consolidated. G4S plc's key objectives and policies include:

- Mitigating liquidity risk by ensuring there are sufficient undrawn committed facilities available to the G4S plc group;
- Conducting operating and financing activities, wherever possible, in the Company's local currency; and
- Utilising interest rate swaps and, to a lesser extent, forward rate agreements to manage future cash outflows.

Further details of the financial risk management objectives and policies of the G4S plc group, which the Company is a member of, are included in the consolidated financial statements of G4S plc.

COVID-19

Subsequent to the year end Covid-19, which emerged in China during 2019, has developed into a pandemic. Efforts to slow the spread of the virus have resulted in governments across the world taking measures to limit interactions between individuals which has had a consequential effect on the global economy resulting in further significant interventions being made by governments to support national and global economies. Further details of the risks faced by the Company and the G4S plc Group as a result of Covid-19 and the Group's ability to manage its growing global effects are included in the G4S plc 2019 consolidated financial statements. The directors have reassessed the position at the date of signing these financial statements and there is no change in view.

G4S International 105 (UK) Limited

Directors' Report for the Year Ended 31 December 2019 (continued)

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The directors 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.

Disclosure of information to the auditors

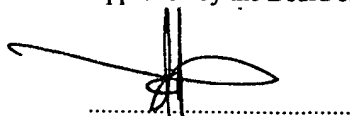
In the case of each director in office at the date the Directors' Report is approved:

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

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution confirming their appointment will be approved at the Annual General meeting.

Approved by the Board on 13/11/2020 and signed on its behalf by:



C A V Barroche
Director

G4S International 105 (UK) Limited

Independent Auditors' Report to the Members of G4S International 105 (UK) Limited

Report on the audit of the financial statements

Opinion

In our opinion, G4S International 105 (UK) Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2019, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern

G4S International 105 (UK) Limited

Independent Auditors' Report to the Members of G4S International 105 (UK) Limited (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine 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.

Auditors' 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 auditors' 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. This description forms part of our auditors' report.

G4S International 105 (UK) Limited

Independent Auditors' Report to the Members of G4S International 105 (UK) Limited (continued)

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



.....
Dino Blackburn (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds

Date: 16 November 2020

G4S International 105 (UK) Limited

Income Statement for the Year Ended 31 December 2019

	Note	2019 £ 000	2018 £ 000
Administrative expenses		-	(93)
Gain on disposal of investments	4	197,661	-
Impairment of investments	4	<u>(2,482)</u>	<u>(1,624)</u>
Operating profit/(loss)	4	195,179	(1,717)
Dividend income	8	48,116	4,286
Finance income	9	1,678	42
Finance costs	10	<u>(63)</u>	<u>(217)</u>
Profit before income tax		244,910	2,394
Income tax (expense)/credit	11	<u>(421)</u>	<u>177</u>
Profit for the financial year		<u><u>244,489</u></u>	<u><u>2,571</u></u>

The above results were derived from continuing operations.

G4S International 105 (UK) Limited

Statement of Comprehensive Income for the Year Ended 31 December 2019

	2019	2018
	£ 000	£ 000
Profit for the financial year	<u>244,489</u>	<u>2,571</u>
Total comprehensive income for the financial year	<u><u>244,489</u></u>	<u><u>2,571</u></u>

The notes on pages 14 to 28 form an integral part of these financial statements.

G4S International 105 (UK) Limited

Statement of Changes in Equity for the Year Ended 31 December 2019

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2018	1	74,861	74,862
Comprehensive income:			
Profit for the financial year	-	2,571	2,571
Total comprehensive income for the financial year	-	2,571	2,571
At 31 December 2018	1	77,432	77,433
At 1 January 2019	1	77,432	77,433
Comprehensive income:			
Profit for the financial year	-	244,489	244,489
Total comprehensive income for the financial year	-	244,489	244,489
Transactions with owners:			
Proceeds from shares issued	191	-	191
Total transactions with owners	191	-	191
At 31 December 2019	192	321,921	322,113

The notes on pages 14 to 28 form an integral part of these financial statements.


G4S International 105 (UK) Limited

(Registration number: 00664611)

Statement of Financial Position as at 31 December 2019

	Note	2019 £ 000	2018 £ 000
Non-current assets			
Investments	12	23,867	41,586
Current assets			
Trade and other receivables	13	296,581	40,989
Cash and cash equivalents		5,061	127
		<u>301,642</u>	<u>41,116</u>
Total assets		<u>325,509</u>	<u>82,702</u>
Current liabilities			
Trade and other payables	14	(2,472)	(2,759)
Bank overdrafts		(546)	(2,284)
Current tax liabilities		(306)	(111)
		<u>(3,324)</u>	<u>(5,154)</u>
Non-current liabilities			
Deferred tax liabilities	11	(72)	(115)
Total liabilities		<u>(3,396)</u>	<u>(5,269)</u>
Net assets		<u>322,113</u>	<u>77,433</u>
Equity			
Share capital	15	192	1
Retained earnings		321,921	77,432
Total shareholders' funds		<u>322,113</u>	<u>77,433</u>

The financial statements on pages 10 to 28 were approved by the Board on 13/11/2020 and signed on its behalf by:



 C A V Barroche
 Director

The notes on pages 14 to 28 form an integral part of these financial statements.

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1 General information

G4S International 105 (UK) Limited is incorporated in the United Kingdom, registered in England and Wales, and domiciled in the UK. It is a private company, limited by shares. The Company's registered office is: 5th Floor, Southside, 105 Victoria Street, London, SW1E 6QT.

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare and deliver consolidated financial statements as it is a wholly-owned subsidiary of a company established in the EU and it is included in the audited consolidated financial statements of its EU-established ultimate parent, G4S plc. The registered office of G4S plc is 5th Floor, Southside, 105 Victoria Street, London, SW1E 6QT. These financial statements therefore present information about the Company as an individual entity only and not as a group.

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

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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 financial statements have 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 in note 3.

Summary of disclosure 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 G4S plc. Copies of the consolidated financial statements of G4S plc may be obtained by writing to the Company Secretary, G4S plc, 5th Floor, Southside, 105 Victoria Street, London, SW1E 6QT.

These disclosure exemptions relate to:

- the requirements of IAS 7 "Statement of cash flows";
- new IFRSs that have been issued but are not yet effective and which have not been applied by the Company;
- the requirement in 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";
- financial instruments disclosures required by IFRS 7 "Financial Instruments: Disclosures";
- disclosures required by IFRS 13 "Fair Value Measurement";
- 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";

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Summary of disclosure exemptions (continued)

- the requirements of paragraphs 52, 58, 90, 91 and 93 of IFRS 16 “Leases”;
- the requirements of paragraphs 45 (b) and 46 to 52 of IFRS 2 “Share-based Payment”;
- the requirements of paragraphs 17 and 18A of IAS 24 “Related Party Disclosures” and the requirements in IAS 24 “Related Party Disclosures” to disclose related party transactions entered into between two or more wholly-owned members of a group; and
- capital management disclosures required by paragraphs 134 of 136 of IAS 1 “Presentation of Financial Statements”.

New standards, interpretations and amendments effective for the first time

None of the standards, interpretations and amendments effective for the first time from 1 January 2019 have had a material effect on the financial statements.

Specific items

The income statement separately identifies results before specific items. Specific items are those that in management’s judgement need to be disclosed separately in arriving at operating profit by virtue of their size, nature or incidence. In determining whether an event or transaction is specific, management considers quantitative as well as qualitative factors such as the frequency or predictability of occurrence.

All items that are reported as specific items are evaluated and approved by the Company’s management prior to being separately disclosed. The Company seeks to be balanced when reporting specific items for both debits and credits, and any reversals of excess provisions previously created as specific items are classified consistently as specific items.

Specific items may not be comparable to similarly-titled measures used by other companies.

Dividend income

Dividend income is recognised in the Company’s financial statements in the period in which the dividends are approved by the shareholders of the subsidiary company.

Finance income and finance costs

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.

Foreign currencies

These 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 date of the transactions. At each reporting date, monetary assets and liabilities which are denominated in other currencies are retranslated at the rates prevailing on that date. 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.

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Income tax

Tax is recognised in the income statement except to the extent that it relates to items recognised in equity, in which case it is recognised in equity or in other comprehensive income. The tax expense represents the sum of current tax and deferred tax.

Current tax is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of potential deferred tax assets is re-assessed at each balance sheet date and recognised to the extent that it is probable that sufficient taxable profits will be available to allow those assets to be recovered.

Deferred tax is measured based on the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Tax liabilities or refunds may differ from those anticipated due to changes in tax legislation, differing interpretations of tax legislation and uncertainties surrounding the application of tax legislation. In situations where uncertainties exist, provision is made for contingent tax liabilities and assets on the basis of management judgement following consideration of the available relevant information.

Investments

Investments in subsidiary undertakings are stated at cost less provision of impairment.

Impairment of non-financial assets

The carrying values of the Company's assets, with the exception of inventories, financial receivables and deferred tax assets, are 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.

In respect of any asset other than goodwill, 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.

Financial instruments

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

Trade and other receivables

Trade and other receivables do not carry interest. They are initially recognised at fair value which represents the amount of consideration that is unconditional. They are subsequently carried at amortised cost using the effective interest method less loss allowances.

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Financial instruments (continued)

Amounts owed by/to Group undertakings

Amounts owed by/to Group undertakings (members of the G4S plc group) are recognised initially at fair value and are subsequently stated at amortised cost. Finance income and expense are recognised in the income statement on an accruals basis using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

Trade and other payables

Trade and other payables do not carry interest. They are initially recognised at fair value and they are subsequently carried at amortised cost using the effective interest method.

Bank overdrafts

Bank overdrafts comprise cash balances in an overdrawn position. Interest expense on these balances is recognised in finance costs using effective-interest method. Bank overdrafts are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Impairment of financial assets

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and other contract assets (being the unbilled work in progress). The expected loss rates are based on the payment profiles of sales over a period of at least 36 months before the end of the relevant reporting year and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors that the Company considers would affect the ability of its customers to settle the receivables.

For loans and balances with Group companies, the general approach permitted by IFRS 9 is applied, which requires 12 month expected credit losses to be recognised on initial recognition of these receivables. If a significant increase in credit occurs, this requires expected lifetime credit losses to be recognised on these receivables. The expected loss rates are based on the payment profiles of Group balances over the period of at least 36 months before the end of the relevant reporting year and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors that the Company considers would affect the ability of the counterparty to settle the receivables.

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.

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

3 Critical accounting judgements and key sources of estimation uncertainty

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, current and expected economic conditions, and in some cases, actuarial techniques as well as the various other factors that are believed to be reasonable under the circumstances.

The judgements, 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.

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

The judgements, estimates and assumptions which are of most significance in the preparation of the Company's financial statements are detailed below:

Impairment of investments

Investments are tested for impairment where there are financial or non-financial indicators that the carrying value of investments may be greater than the expected present value of future cash flows. Judgement is required to determine whether such indicators exist. Where it is determined that a test for impairment is required, the inputs into the impairment model such as growth, future cash flows and discount rates are estimated. These estimates and assumptions can have a significant impact on the result of the calculation and determine whether an impairment is recognised.

Loss allowances against amounts owed by Group undertakings

The Company holds amounts owed by other G4S plc group entities. The decision whether to recognise a loss allowance against such receivables requires judgement in respect of the underlying operational performance and economic risks faced by other Group companies.

If it is decided that the loss allowance should be computed, such computation involves estimation of the expected loss rate. The expected loss rates are based on the payment profiles of receivables over a period of at least 36 months before the end of the relevant reporting year and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors that the Company considers would affect the ability of the counterparty to settle the receivables.

4 Operating profit/(loss)

Arrived at after charging/(crediting):

	2019	2018
	£ 000	£ 000
Impairment loss	2,482	1,624
Gain on disposal of investments	<u>(197,661)</u>	<u>-</u>

5 Staff costs

There were no employees during the current or prior year and therefore the Company incurred no staff costs.

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

6 Directors' remuneration

The directors received no remuneration or accrued pension benefits in respect of their services to the Company during the current or prior year.

7 Auditors' remuneration

Auditors' remuneration of £9,000 (2018: £8,000) was borne by another Group company. The Company did not incur any non-audit fees in the current or prior year.

8 Dividend income

The Company received dividends from the following subsidiaries:

	2019 £000	2018 £000
G4S International Logistics (Australia) Pty Limited	-	1,363
G4S (Botswana) Limited	1,002	492
G4S Secure Solutions (CI) SA	517	-
G4S International Logistics (Hong Kong) Limited *	5,374	605
G4S (Hong Kong - Holding) Limited	39,884	-
G4S (Macau - Holding) Limited	-	1,796
G4S Secure Solutions (Macau) Limited	1,029	
G4S Secure Solutions (Trinidad) Limited	310	30
	<u>48,116</u>	<u>4,286</u>

* The following has been received as a dividend in specie as a loan receivable.

9 Finance income

	2019 £ 000	2018 £ 000
Interest income on cash and cash equivalents	3	2
Interest receivable on amounts owed by Group undertakings	1,544	40
Foreign exchange gains	131	-
	<u>1,678</u>	<u>42</u>

10 Finance costs

	2019 £ 000	2018 £ 000
Interest on bank overdrafts	26	8
Foreign exchange losses	37	209
	<u>63</u>	<u>217</u>

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

11 Income tax expense/(credit)

Tax expensed/(credited) in the income statement is as follows:

	2019 £ 000	2018 £ 000
Current tax		
UK corporation tax	305	110
UK corporation tax adjustment to prior periods	-	(169)
	305	(59)
Foreign tax	159	25
Total current income tax	464	(34)
Deferred tax		
Arising from origination and reversal of temporary differences	(43)	(143)
Total deferred tax	(43)	(143)
Total income tax expense/(credit) in the income statement	421	(177)

The tax on profit for the year is lower than (2018: lower than) the standard effective rate of corporation tax in the UK of 19% (2018: 19%).

The differences are reconciled below:

	2019 £ 000	2018 £ 000
Profit before income tax	244,910	2,394
Corporation tax at standard effective rate	46,533	455
Decrease in current tax from adjustment for prior periods	-	(169)
Decrease from effect of income exempt from taxation	(46,698)	(814)
Increase from effect of expenses not deductible in determining taxable profit	472	325
(Decrease)/increase from transfer pricing adjustments	(2)	144
Decrease from deferred tax on unremitted earnings	(43)	(143)
Increase arising from overseas tax suffered	159	25
Total income tax expense/(credit)	421	(177)

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

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

11 Income tax expense/(credit) (continued)

Deferred tax

Deferred tax liabilities are as follows:

	Liability £ 000
2019	
Other items	<u>(72)</u>
2018	
Other items	<u>(115)</u>

Deferred tax movement during the year is as follows:

	At 1 January 2019 £ 000	Recognised in income £ 000	At 31 December 2019 £ 000
Other items	<u>(115)</u>	<u>43</u>	<u>(72)</u>

Deferred tax movement during the prior year was as follows:

	At 1 January 2018 £ 000	Recognised in income £ 000	At 31 December 2018 £ 000
Other items	<u>(258)</u>	<u>143</u>	<u>(115)</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.

Deferred tax assets and liabilities on temporary differences expected to reverse in the period from 1 January 2020 to 31 March 2020 have been provided at 19%. Deferred tax assets and liabilities on timing differences expected to reverse on or after 1 April 2020 have been provided at 17% as this was the future rate that had been enacted as at 31 December 2019. On 11 March 2020 the Chancellor announced that the reduction of the corporation tax rate to 17% as of 1 April 2020 would be cancelled. This cancellation was legislated for on 17 March 2020. The impact on this is that the deferred tax liabilities of the Company will increase from £72,000 to £80,000.

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

12 Investments

	£ 000
Cost	
At 1 January 2019	79,148
Additions	6,974
Disposals	<u>(24,312)</u>
At 31 December 2019	<u>61,810</u>
Provision	
At 1 January 2019	37,562
Provision	2,482
Eliminated on disposals	<u>(2,101)</u>
At 31 December 2019	<u>37,943</u>
Carrying amount	
At 31 December 2019	<u>23,867</u>
At 31 December 2018	<u>41,586</u>

Additions relate to the acquisition of shares in existing subsidiary undertakings, G4S Secure Solutions (Barbados) Limited, G4S Holdings (Trinidad) Limited and G4S Secure Solutions (SA) (Proprietary) Limited, from third parties, totalling £5,403,000, recapitalisation of an existing investment in G4S Secure Solutions (TZ) Limited of £1,300,000 and other additions of £271,000.

Disposals relate to the reorganisation of the Group's Cash Solutions businesses. As part of this, the Company's investments in G4S International Logistics (Australia) Pty Ltd, G4S International Logistics (Switzerland) AG, G4S Cash Solutions S.A., G4S International Logistics (Hong Kong) Limited, G4S Fire and Safety SRL, G4S Group Holding (Asia) Limited and G4S International Logistics (South Africa) (Proprietary) Limited have been transferred to fellow subsidiaries of G4S plc.

Judgement is required to determine whether indicators of impairment exist. Where impairment triggers are identified, the recoverable amount of an investment is generally determined by its value in use, which is derived from discounted cash flow calculations. The key inputs into the cash flow calculations include the estimation of the future results, cash flows, country specific growth rates and discount rates. Judgement is also required in relation to the probability of achieving of the long term-business plan and macroeconomic assumptions underlying the valuation process.

Estimated future cash flows for the first three years are based on the three-year business plan approved by the Board of G4S plc. Year 4 is projected by applying a growth rate which is an average between year 3 and year 5. Year 5 is projected using the lower of the year 3 forecast growth rate or the country-specific long-term inflation rate. The terminal value is projected by applying the country-specific long-term inflation rate.

In the year, impairment review has been performed for all of the Company's investments. For each of the investments, the investment's carrying amount was compared to the entity's net assets. If the entity's net assets were lower than its carrying amount, the entity's value in use was determined using discounted cash flow model, as described above. Impairment was identified for the entities whose value in use was lower than their carrying amount. For the year ended 31 December 2019 an impairment charge of £2,482,000 (2018: £1,624,000) has been recorded in respect of the Company's investments.

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

12 Investments (continued)

The recoverable amount of the investments has been determined by the investment's value in use. The impairment charge recognised during the current and preceding years, the recoverable amount of the investments as well as the discount rate used to determine the estimate of value in use are listed below.

2019

	Impairment charge £000	Recoverable amount £000	Discount rate
G4S Group Holding (China) Ltd	2,450	2,923	8.7%
G4S Support Services (T) Limited	32	-	9.2%
	2,482		

2018

	Impairment charge £000	Recoverable amount £000	Discount rate
G Cuatro S Valours S.A.	1,428	-	13.3%
Integra (Pty) Ltd	116	-	12.6%
Investment Surveys (Proprietary) Limited	80	-	12.6%
	1,624		

Details of the subsidiary undertakings and other significant undertakings as at 31 December 2019, where the Company's holding is 20% or greater, are as follows:

Subsidiary undertakings	Class of holding	Ownership	Registered address
G4S International Logistics (Middle East) FZE	Ordinary	100.00%	Unit 1-05, Street W B 4, Airport Free Zone, 54907, United Arab Emirates
G4S International Logistics Middle East LLC	Ordinary	49.00%	Level 14 203 Al Shamal Building Plot # 113-242, Al Daghya Deira, United Arab Emirates
G4S International Logistics (Middle East) DMCC *	Ordinary	100.00%	Unit No. Al Mas 2 - 14, Al Mas Tower, Plot No. LT2, Jumeirah Lake Tower Dubai, United Arab Emirates
G4S Secure Solutions (Barbados) Limited *	Ordinary	100.00%	Brighton, Spring Garden, St. Michael, Barbados
G4S (Botswana) Limited *	Ordinary	70.00%	C/o Grant Thornton Business Services (Pty) Ltd, Acumen Park, Plot 50370, Fairgrounds Gaborone Botswana
G4S Facilities Management Botswana (Proprietary) Limited	Ordinary	34.23%	Plot 50370, Fairgrounds Office Park, Gaborone, Botswana
G4S Secure Solutions (CI) SA *	Ordinary	21.30%	3 Boulevard Valerie Giscard d'Estaing, 01 BP 6065 ABJ 01 Abidjan, Ivory Coast

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

12 Investments (continued)

G4S Facilities Management Limited	Ordinary	100.00%	13F, Hui Shang Building, 1286 Min Sheng Road, Pudong New District, 200122, Shanghai, China
Shenzhen G4S Donar Technology Co Ltd	Ordinary	100.00%	West Floor 9, Bus Tower 1001, Lianhau Branch, Futian District, 518036 Shenzhen, China
G4S Technology (China) Limited	Ordinary	100.00%	Room 710A, 7/F, Nan Fang Securities Building, 140 -148 Ti Yu Dong Lu, Tian He District, Guangzhou, China
G4S Zhejiang Secure Solutions Company Ltd.	Ordinary	90.00%	17-1 Bai Ma Miao Xiang, Shangcheng District, Hangzhou, China
G4S Management Service (Shanghai) Co., Ltd	Ordinary	100.00%	13F, Hui Shang Building, 1286 Min Sheng Road, Pudong New District, 200122, Shanghai, China
G Cuatro S Valours S.A. *	Ordinary	100.00%	Cinco Esquinas de Tibas de la Clinica, Clorito Picado 150 mts. Oeste, San Jose, Costa Rica
G4S Secure Solutions (Grenada) Limited	Ordinary	100.00%	Maurice Bishop Highway Grand Anse St. George's, Grenada
G4S Secure Solutions (Guam), Inc. *	Ordinary	100.00%	1851A Army Drive, Harmon, Guam, 96913, Guam
G4S Security Systems (Guam) Inc. *	Ordinary	100.00%	1851A Army Drive, Harmon, Guam, 96913, Guam
Verdi Limited *	Ordinary	100.00%	1/F, Securicor Ctre, 481 Castle Peak Rd, Cheung Sha Wan, Kowloon, Hong Kong
G4S (Hong Kong - Holding) Limited *	Ordinary	87.65%	1/F, Securicor Ctre, 481 Castle Peak Rd, Cheung Sha Wan, Kowloon, Hong Kong
G4S Facility Services (Hong Kong) Limited	Ordinary	100.00%	1/F, Securicor Ctre, 481 Castle Peak Rd, Cheung Sha Wan, Kowloon, Hong Kong
G4S Secure Solutions (Hong Kong) Limited	Ordinary	100.00%	1/F, Securicor Ctre, 481 Castle Peak Rd, Cheung Sha Wan, Kowloon, Hong Kong
G4S Gurkha Services Limited	Ordinary	100.00%	1/F, Securicor Ctre, 481 Castle Peak Rd, Cheung Sha Wan, Kowloon, Hong Kong
Hong Kong Security Limited	Ordinary	100.00%	1/F, Securicor Ctre, 481 Castle Peak Rd, Cheung Sha Wan, Kowloon, Hong Kong
G4S Document Management Services (Hong Kong) Limited	Ordinary	100.00%	1/F, Securicor Ctre, 481 Castle Peak Rd, Cheung Sha Wan, Kowloon, Hong Kong
G4S Group Holding (China) Limited *	Ordinary	100.00%	1/F, Securicor Ctre, 481 Castle Peak Rd, Cheung Sha Wan, Kowloon, Hong Kong
Starpoint Investments Limited	Ordinary	100.00%	1/F, Securicor Ctre, 481 Castle Peak Rd, Cheung Sha Wan, Kowloon, Hong Kong
G4S Security Systems (Hong Kong) Limited	Ordinary	100.00%	1/F, Securicor Ctre, 481 Castle Peak Rd, Cheung Sha Wan, Kowloon, Hong Kong

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

12 Investments (continued)

Service Masters Limited *	Ordinary	100.00%	Sterling Trust (Cayman) Limited, Whitehall House, 238 North Church Street, k1-1102 Grand Cayman, Cayman Islands
G4S Secure Solutions (St. Lucia) Limited	Ordinary	51.00%	P.O. Box CP 6098 Conway Post Office, Castries, Saint Lucia
G4S Secure Solutions Lesotho (Pty) Ltd *	Ordinary	100.00%	397 Hilton Hill Road Maseru, Lesotho
G4S (Macau - Holding) Limited *	Ordinary	51.00%	Avenida Venceslau de Morais, 185-191, 1 Andar A, Macau
G4S Secure Solutions (Macau) Limited	Ordinary	50.95%	Avenida Venceslau de Morais, 157, BL 2,2, Edificio Centro Ind. Keck Seng, Fase II, 2 Andar H, Macau
Great Wall Security Services Ltda	Ordinary	50.80%	Avenida Venceslau de Morais, 157, BL 2,2, Edificio Centro Ind. Keck Seng, Fase II, 2 Andar H, Macau
Great Wall Property Management Services Limited	Ordinary	50.80%	Avenida Venceslau de Morais, 157, BL 2,2, Edificio Centro Ind. Keck Seng, Fase II, 2 Andar H, Macau
Great Wall Holdings Limited	Ordinary	50.80%	Avenida Venceslau de Morais, 157, BL 2,2, Edificio Centro Ind. Keck Seng, Fase II, 2 Andar H, Macau
G4S Valuables Transportation (Macau) Limited *	Ordinary	51.00%	Avenida Venceslau de Morais, 157, BL 2,2, Edificio Centro Ind. Keck Seng, Fase II, 2 Andar H, Macau
G4S Secure Solutions (CNMI) Inc. *	Ordinary	100.00%	PMB 384 PPP Box 1000, 96950 Saipan, Northern Mariana Islands
S Gray Management Services Limited *	Ordinary	100.00%	c/o Intercontinental Trust LTD, Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
G Four S Manned Security (Namibia) (Pty) Limited *	Ordinary	100.00%	33 General Murtala Ramat Muhammed Street, Eros, Windhoek, Namibia
G Four S Aviation Security (Namibia) (Proprietary) Limited	Ordinary	100.00%	33 General Murtala Ramat, Muhammed Street, Eros, Windhoek, Namibia
Outsourcing Services Limited	Ordinary	99.99%	27, Oba Akinjobi Street, GIRA, Ikeja, Lagos, Nigeria
SCHC Limited	Ordinary	100.00%	13A, A.J. Marinho Drive, Victoria Island, Lagos, Nigeria
G4S Secure Solutions (SL) Limited *	Ordinary	50.00%	6 Spur Road, P.O Box, Freetown, Sierra Leone
G4S Holdings (Trinidad) Limited *	Ordinary	75.50%	61-63 Edward Street, Port of Spain, Trinidad & Tobago
G4S Secure Solutions (Trinidad) Limited	Ordinary	75.50%	61-63 Edward Street, Port of Spain, Trinidad & Tobago,

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

12 Investments (continued)

G4S Secure Solutions (TZ) Limited *	Ordinary	100.00%	Plot No. 37, Ali Hassan Mwinyi Road, Kinondoni Municipality, P O Box 5555, Dar Es Salaam, Tanzania
G4S Support Services (T) Limited *	Ordinary	98.00%	TBC
G4S Secure Solutions (Uganda) Limited *	Ordinary	100.00%	Plot 6, Nakasero Road, Kampala, Uganda
G4S Americas (UK) Limited *	Ordinary	100.00%	5th Floor, Southside, 105 Victoria Street, London, SW1E 6QT, United Kingdom
G4S International Logistics (UK) Limited *	Ordinary	100.00%	Unit 6 Central Park Estate, Staines Road, Hounslow, England, TW4 5DJ
G4S Nominees Limited *	Ordinary	100.00%	5th Floor, Southside, 105 Victoria Street, London, SW1E 6QT, United Kingdom
Investment Surveys (Proprietary) Limited *	Ordinary	100.00%	Byls Bridge Office Park, Building 11, 13 Candela Street, Highveld Ext 73, 0157 Centurion, South Africa
G4S Security Services (Africa) (Proprietary) Limited *	Ordinary	99.00%	Byls Bridge Office Park, Building 11, 13 Candela Street, Highveld Ext 73, 0157 Centurion, South Africa
G4S Secure Solutions (SA) (Proprietary) Limited *	Ordinary	49.00%	Byls Bridge Office Park, Building 11, 13 Candela Street, Highveld Ext 73, 0157 Centurion, South Africa
G4S Aviation Security (SA) (Proprietary) Limited	Ordinary	49.00%	Byls Bridge Office Park, Building 11, 13 Candela Street, Highveld Ext 73, 0157 Centurion, South Africa
G4S Integrity Assessments (Proprietary) Limited	Ordinary	49.00%	Byls Bridge Office Park, Building 11, 13 Candela Street, Highveld Ext 73, 0157 Centurion, South Africa
Gray Security Services (SA) (Proprietary) Limited	Ordinary	49.00%	Byls Bridge Office Park, Building 11, 13 Candela Street, Highveld Ext 73, 0157 Centurion, South Africa
G4S Empowerment Ventures (SA) (Pty) Ltd	Ordinary	49.00%	Byls Bridge Office Park, Building 11, 13 Candela Street, Highveld Ext 73, 0157 Centurion, South Africa
Skycom (Proprietary) Limited	Ordinary	49.00%	Byls Bridge Office Park, Building 11, 13 Candela Street, Highveld Ext 73, 0157 Centurion, South Africa
Access and Beyond (Pty) Ltd	Ordinary	49.00%	Byls Bridge Office Park, Building 11, 13 Candela Street, Highveld Ext 73, 0157 Centurion, South Africa
Integrated Sky Force Solutions (Pty) Ltd	Ordinary	49.00%	Byls Bridge Office Park, Building 11, 13 Candela Street, Highveld Ext 73, 0157 Centurion, South Africa

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

12 Investments (continued)

Integra (Pty) Ltd *	Ordinary	100.00%	Byls Bridge Office Park, Building 11, 13 Candela Street, Highveld Ext 73, 0157 Centurion, South Africa
G4S Valuable Logistics (SA) (Pty) Ltd	Ordinary	100.00%	Byls Bridge Office Park, Building 11, 13 Candela Street, Highveld Ext 73, 0157 Centurion, South Africa

* Direct investment

13 Trade and other receivables

	2019	2018
	£ 000	£ 000
Amounts owed by Group undertakings	<u>296,581</u>	<u>40,989</u>

Included in amounts owed by Group undertakings are loans of £261,968,000 (2018: £40,946,000) which are unsecured and repayable on demand. Interest is charged on these loans at LIBOR + 1.5% (2018: LIBOR + 1.5%). All other amounts owed by Group undertakings are trading in nature, unsecured, interest-free and repayable on demand.

The loss allowance as at 31 December 2019 is £Nil (2018: £Nil) as all amounts owed by Group undertakings are repayable on demand and the expected loss rate for the Company is 0% (2018: 0%).

14 Trade and other payables

	2019	2018
	£ 000	£ 000
Trade payables	16	5
Amounts owed to Group undertakings	2,454	2,754
Other payables	<u>2</u>	<u>-</u>
	<u>2,472</u>	<u>2,759</u>

Amounts owed to Group undertakings are trading in nature, unsecured, interest-free and repayable on demand.

15 Share capital

Allotted, called up and fully paid shares

	2019	2019	2018	2018
	No. 000	£ 000	No. 000	£ 000
Ordinary share of £1 each	<u>192</u>	<u>192</u>	<u>1</u>	<u>1</u>

On 22 November 2019 the Company allotted an additional 191,000 ordinary shares at nominal value of £1 each, bringing the total number of ordinary shares to 192,000. The shares have been fully paid at 31 December 2019.

G4S International 105 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

16 Parent and ultimate parent undertaking

The Company's immediate parent undertaking is G4S International Holdings Limited.

The Company's ultimate parent undertaking and ultimate controlling party is G4S plc, a company incorporated in the United Kingdom. G4S plc 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 G4S plc are available upon request from the Company Secretary, 5th Floor, Southside, 105 Victoria Street, London, SW1E 6QT.

17 Non adjusting events after the financial period

Subsequent to the year end Covid-19, which emerged in China during 2019, has developed into a pandemic. Efforts to slow the spread of the virus have resulted in governments across the world taking measures to limit interactions between individuals which has had a consequential effect on the global economy resulting in further significant interventions being made by governments to support national and global economies. Further details of the risks faced by the Company and the G4S plc Group as a result of Covid-19 and the Group's ability to manage its growing global effects are included in the G4S plc 2019 consolidated financial statements. The directors have reassessed the position at the date of signing these financial statements and there is no change in view.