

Registered number: 04482240

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**PROTIVITI LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**





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**PROTIVITI LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	M C Buckley M K Waddell
<b>Company secretary</b>	A M Plumbly
<b>Registered number</b>	04482240
<b>Registered office</b>	Protiviti Limited Washington House International Square Birmingham B37 7GN
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Donington Court Pegasus Business Park Castle Donington East Midlands DE74 2UZ
<b>Bankers</b>	Royal Bank of Scotland 1 St Philips Place Birmingham B3 2RB
<b>Solicitors</b>	Baker & McKenzie 100 New Bridge Street London EC4V 6JA



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**PROTIVITI LIMITED**

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## PROTIVITI LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Introduction

The principal activity of the company continues to be the provision of risk consulting services to help clients solve regulatory, risk and compliance problems and also to help clients become more effective and productive.

#### Business review

The company continues to monitor the challenges brought about with the uncertain economic conditions, closely monitoring and where appropriate realigning the cost base to reflect the reality of today's marketplace. The company has continued to invest in key areas to position itself over the short to medium term to maximise market growth opportunities. Over the course of 2020, the company has continued to develop the services and solutions offered to clients. During the 2020 UK-wide lockdowns the company continued to trade. Demand for consultancy services increased and this demand could be met as employees were able to work from home. Costs in 2020 for flights, hotels and general travel decreased significantly due to the lockdown.

The company made an operating profit of £4,176,086 (2019: £931,972 Loss), the profit is impacted by an equity adjustment made for equity-settled share-based payments £460,253 (2019: £552,424). At 31 December 2020, the company had net assets of £11,760,666 (2019: £7,954,455).

The company has continued to develop and diversify its workforce to provide a wider skill base to expand the service offerings of the company and support sustained growth.

#### Principal risks and uncertainties

##### *Dependence upon personnel*

The company's performance depends largely on the ability to continue to attract, train and retain high caliber individuals. The company has focused on improving employee benefits and continuing to offer equity incentives to support the long term retention of valued employees. While the company has retained its key personnel to date, there can be no assurance that it will continue to be able to do so.

##### *Reputation*

The success of the company's performance is highly dependent upon its reputation. Any event that adversely impacts the reputation of the business could materially and adversely affect the future results of the company.

##### *Demand for services*

The company provides some services related to Sarbanes-Oxley and other regulatory compliance. There can be no assurance that there will be an ongoing demand for these services or that the current regulatory framework will be maintained in its current form. The company has diversified its service offerings in recent years to mitigate this risk

##### *Competition*

The risk consulting business is highly competitive and, because it is a service business, the barriers to entry are quite low.



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## **PROTIVITI LIMITED**

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### **STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Section 172 (1) Statement**

This section 172 (1) statement describes how, for the year ended 31 December 2020, the Directors have had regard to their obligations under section 172 91) (a) to (f).

Protiviti Limited is a consulting firm that delivers deep expertise, objective insights, a tailored approach and unparalleled collaboration to help leaders confidently face the future. As an organisation, we believe that by teaming together, with each other, and our clients, we can see beyond the surface of changes and problems organisations face in this fast changing world to discover opportunities others might miss and face the future with greater confidence. This commitment is reflected in our policies and programs that support universal human rights; respect the diversity of our employees, customers and business partners; form the foundation of our philanthropic endeavours; and protect the environment in the communities we serve.

#### **Long term consequences of business decisions and maintaining high standards of business conduct**

The Protiviti name encapsulates what we value as an organisation. Each of the three "i"s in Protiviti represents the values we bring to our work each day, Integrity, Inclusion and Innovation. These values enable us to do work that delivers meaningful results, to nurture rewarding careers for our people, and to maintain and build deep durable relationships with each other and our diverse client base and other stakeholders.

Our emphasis on business values is one reason clients and business partners continue to turn to Protiviti Limited. People want to do business with and work for a company they can feel good about, understanding our clients and employees needs will always have an impact on any decision making. We succeed through teamwork, we operate in a highly collaborative manner where all view points are heard and valued.

The global executive leadership along with a wider senior management team and committees who drive the overall company strategy make sure these values are demonstrated in their leadership approach.

#### **Identification of, and engagement with, stakeholder groups**

Protiviti Limited demonstrates ongoing commitment to corporate and social responsibility through our compliance policies and we recognise that meaningful engagement with our key stakeholders is integral to the Company's continued success.



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## PROTIVITI LIMITED

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### STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Our Workforce

Our employees are our most valuable asset. We make every effort to provide a great work environment that connects them with opportunities to grow and thrive. We are committed to supporting human rights and providing equal opportunity and advancement to all employees and stakeholders across our entire value chain.

Our workforce is nimble and well positioned to use mobile technology and other capabilities to perform services from remote locations on short notice. We also have invested in technology that allows us to communicate with all of our employees and enables our employees to work virtually. The company has undertaken surveys to gain employee feedback and continues with virtual "town hall" meetings and participates in quarterly global leadership meetings keeping employees up to date.

Protiviti has plans in place to protect our employees and to limit the spread of disease at our facilities. Protiviti's Crisis Management Plan, Crisis Communication Plan and Emergency Response Plan were established to ensure the safety and protection of our employees. Our Protiviti Recovery Plan establishes protocols for public health events such as COVID-19. Specifically related to COVID-19, we have implemented restrictions on travel to areas of the world impacted by the virus and implemented quarantine protocols. We are actively following WHO guidance and are prepared to invoke any additional travel restrictions as necessary. Our executive leadership has communicated to all our employees: guidance related to the current status of restricted travel, coordination with clients regarding continuity of services and instructions that individuals who have flu-like symptoms should not report to work.

We continued our Diversity, Equity & Inclusion initiatives that are designed to attract, develop, and retain the most talented professionals in the market. We seek to recruit and retain a diverse employee population including people of different race, gender, age, sexual orientation, or any other dimension of diversity. Each of us has a different experience to contribute to our company and to our clients. It is the breadth of these experiences, and how they all work together, that makes us succeed.

Our Inclusion Champions Network is a diverse spectrum of individuals from different offices, bringing together employees from across solutions and career levels to design and implement diversity programming. Serving as change agents, these individuals connect people on a local level to the bigger strategy – through events, educational programming, and Employee Network Groups.

#### Our Supply Chains

Given the industry in which we operate we do not have an extensive supply chain network. Our supply chains include, amongst others: office supplies including IT hardware and software, professional services, advertising and print services, cleaning and catering services, office fit out and maintenance services, and stationery. We published our first payment practices, in line with the Reporting on Payment Practices and Performance Regulations 2017, for the period ended 31 December 2020 and on average across our supply chain it takes the company 18.6 days to pay our suppliers with 90% of all invoices being paid within 30 days.



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## **PROTIVITI LIMITED**

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### **STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Our Clients**

We assist businesses in addressing challenges and opportunities in many areas. To engage with our clients successfully we need to understand their requirements. Our unique approach, expertise, technology and robust resources power our ability to connect clients with experienced professionals who offer a tailored approach with unparalleled collaboration. Our commitment to do the right thing in all situations, extends to how we advise and behave with our clients and our innovation is borne out of our passion for our clients success.

Protiviti has a plan in place for communicating to our clients in the event COVID-19 materially impacts our ability to provide services.

Protiviti works closely with our clients in the performance of our services. In the event that we determine that COVID-19 materially effects our ability to perform services, the Managing Director leading the engagement will communicate with the client's point of contact to inform the client of the issue(s).

#### **Our Communities**

Protiviti Limited's global volunteer and philanthropy programs are central to our social responsibility efforts. Protiviti Limited encourages our employees to take the lead through volunteer work and fundraising activities that support the issues that matter most to them personally. The UK team contribute to the global "I on Hunger" program which is a global effort to feed hungry people and improve lives. We believe that nourishing the body provides a pathway for people to nourish their minds and thereby enrich their lives by removing the daily insecurity that is created by persistent hunger.

#### **Our Environment**

As a professional services business, our carbon footprint, with its associated climate change risks, is low when compared to those of most other companies. As we grow, we always have environmental impact as a priority in our decision making. In 2020, we continued our efforts to decrease our environmental impact, Protiviti's Green Champions, comprised of employees from around the world have been instrumental in developing a guidebook available to all employees that highlights unique local office initiatives and simple tips to follow to be more sustainable.

#### **Potential Liability**

The company provides internal audit and business risk consulting services. A liability may arise or litigation could be instituted against the company for claims related to these activities or to prior transactions or activities. There can be no assurance that such liability or litigation will not have an adverse impact on the company.



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**PROTIVITI LIMITED**

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**STRATEGIC REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

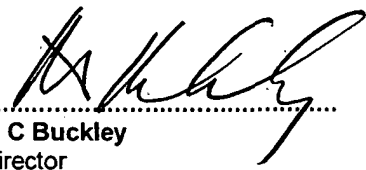
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**Key Performance Indicators**

Company performance during the year has been measured by management using the following financial and non-financial KPIs. The source of the data and calculation methods year-on-year are on a consistent basis. Performance during the year together with comparative data is set out in the table below:

	2020	2019
Growth in Turnover: The company returned an increase year on year. Source: Statement of Comprehensive Income	10.1%	16.2%
Gross Margin %: Ratio of Gross Profit as a % to turnover. Source : Statement of Comprehensive Income	19.4%	15.6%
Operating Loss Margin % : Ratio of operating profit/(loss) before interest and tax to revenue expressed as a %. Source : Statement of Comprehensive Income	7.4%	(1.8%)
Growth in staff: Year on year growth expressed as a % . Source: Internal Data	(8.70%)	(0.45%)
Debtors Days: Number of days sales outstanding calculated using the count back method. Source: Internal Data.	35	45
Current Ratio: Derived by dividing current assets by current liabilities. Source: Balance Sheet	1.89	1.65

This report was approved by the board on 27th September 2021 and signed on its behalf.



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**M C Buckley**  
Director



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## PROTIVITI LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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The Directors present their report and the audited financial statements for the year ended 31 December 2020.

#### 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 regulations.

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 FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 FRS102, 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 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 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.

#### Directors' confirmations

In the case of each Director in office at the date the Directors' report is approved:

- so far as the 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 they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### Going Concern

The company currently has a net current asset position. The Directors have also reviewed the cash flow forecasts for the company for the foreseeable future and have concluded that the company has sufficient cash resources in order for it to continue to meet its obligations as and when they fall due for the foreseeable future.

#### Environment

The company has no contractual emissions or energy usage with the exception of employee travel. During the year the company used less than 40,000 kWh of energy and is therefore exempt from reporting under the Companies (Directors Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.



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## **PROTIVITI LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Post Balance Sheet Events**

There are no post balance sheet events.

#### **Future Developments**

The company continues to operate in a highly competitive market and although uncertainty exists regarding UK economic growth, as the UK begins to leave the EU, management believes that Protiviti remains in a strong position.

#### **Directors**

The Directors who served during the year and up to the date of approval of these financial statements were:

M C Buckley  
M K Waddell

#### **Directors' Indemnities**

A qualifying third party indemnity provision is in place for the company's Directors. This covers liability for the actions of Directors and officers of the company and associated costs including legal costs.

#### **EMPLOYEES**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

The company is committed to an active Equal Opportunities policy to ensure individuals are appointed, promoted, trained and developed, and treated on the basis of their relevant merits and abilities. The company's objective is to ensure no applicant or employee receives less favourable treatment, directly or indirectly on the grounds of sex, colour, race, religion, ethnic or national origin, marital status, disability, age or sexual orientation.

The company places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This information is circulated to employees through a dedicated website and regular email announcements.

#### **DIVIDENDS**

No dividends have been paid or recommended during 2020 (2019: £Nil).

#### **POLITICAL AND CHARITABLE DONATIONS**

There were no political donations in either the current year or prior year. Charitable donations made in 2020 £5,750 (2019: £1,500).



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**PROTIVITI LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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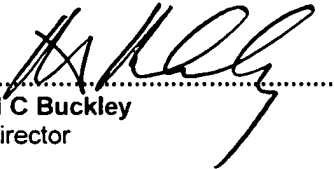
**FINANCIAL RISK MANAGEMENT**

The main financial risks relate to credit risk and liquidity risk. Credit risk is mitigated through the use of credit checks and regular monitoring of the sales ledger in order to minimise the impact of bad debts on the company. Liquidity risk is managed through the use of cash flow forecasting and analysis of the performance and financial position of the company against approved budgets.

**Independent Auditors**

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 27th September 2021 and signed on its behalf.

  
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**M C Buckley**  
Director



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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROTIVITI LIMITED

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# Report on the audit of the financial statements

## Opinion

In our opinion, Protiviti Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 for the year ended 31 December 2020 (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2020; the Statement of Comprehensive Income and 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

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.

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.

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

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

## 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.



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## PROTIVITI LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROTIVITI LIMITED

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Based on our work undertaken in the course of the audit, the Companies Act 2006 requires 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 2020 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, 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 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.

##### **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.

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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, UK employment legislation and regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of unusual journal entries, manipulation of accounting estimates and the inappropriate recording of significant and/or unusual events during the reporting period. Audit procedures performed by the engagement team included:

- Understanding the key internal controls utilised by management to detect/mitigate inappropriate accounting estimates and journal entries;
- Discussions with management regarding any known instances of fraud, non-compliance with applicable laws and regulations or instances of control breakdowns;
- Reviewing accounting estimates for any indicators of management bias. This was performed through validating supporting evidence for key assumptions, testing the validity of underlying data and accuracy of underlying models where applicable, and challenging management on the assumptions made through consideration of prior accuracy of estimates and comparison of estimates made at year end to events as they transpired post year end;
- Review of legal expense accounts, board minutes and other internal documentation to identify any inconsistencies with other information provided by management;
- Substantive testing of journal entries, in particular any journal entries posted with unusual account combinations with a particular focus on revenue journals and those which improved the reported financial position / performance;
- Performing unpredictable audit procedures which are changed each year; and
- Testing any material unusual transactions during the year, to ascertain they were appropriately recorded within the financial statements (where such instances had been noted during the audit).



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## PROTIVITI LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROTIVITI LIMITED

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There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 auditors' report.

#### 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.



Andrew Dymond (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
East Midlands  
27 September 2021



**PROTIVITI LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Turnover	4	56,166,752	51,009,392
Cost of sales		(45,277,069)	(43,058,711)
<b>Gross profit</b>		<b>10,889,683</b>	<b>7,950,681</b>
Administrative expenses		(6,906,572)	(8,882,653)
Other operating income	5	192,975	-
<b>Operating profit/(loss)</b>	6	<b>4,176,086</b>	<b>(931,972)</b>
Tax on profit/(loss)	9	(830,128)	214,531
<b>Profit/(loss) for the financial year</b>		<b>3,345,958</b>	<b>(717,441)</b>
Other comprehensive income		-	-
<b>Total comprehensive income/(expense) for the year</b>		<b>3,345,958</b>	<b>(717,441)</b>

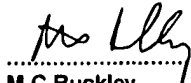


**PROTIVITI LIMITED**  
**REGISTERED NUMBER: 04482240**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	10	-	1,293
Tangible assets	11	301,818	437,720
		<u>301,818</u>	<u>439,013</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	12	15,620,866	15,229,627
Cash at bank and in hand	13	9,245,984	4,461,611
		<u>24,866,850</u>	<u>19,691,238</u>
Creditors: amounts falling due within one year	14	(13,179,111)	(11,956,524)
<b>Net current assets</b>		<u>11,687,739</u>	<u>7,734,714</u>
<b>Total assets less current liabilities</b>		<u>11,989,557</u>	<u>8,173,727</u>
<b>Provisions for liabilities</b>			
Other provisions	18	(228,891)	(219,272)
		<u>(228,891)</u>	<u>(219,272)</u>
<b>Net assets</b>		<u><u>11,760,666</u></u>	<u><u>7,954,455</u></u>
<b>Capital and reserves</b>			
Called up share capital	20	3,000,002	3,000,002
Share premium account	21	7,999,999	7,999,999
Profit and loss account	21	760,665	(3,045,546)
<b>Total Equity</b>		<u><u>11,760,666</u></u>	<u><u>7,954,455</u></u>

The financial statements on pages 12 to 34 were approved and authorised for issue by the board and were signed on its behalf on

  
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**M C Buckley**  
Director 27/09/2021

The notes on pages 16 to 34 form part of these financial statements.



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**PROTIVITI LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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	Share capital £	Share premium £	Profit and Loss £	Total equity £
At 1 January 2020	3,000,002	7,999,999	(3,045,546)	7,954,455
<b>Comprehensive income for the year</b>				
Profit for the financial year	-	-	3,345,958	3,345,958
<b>Total comprehensive income for the year</b>	-	-	3,345,958	3,345,958
Shared Based Payments	-	-	460,253	460,253
<b>Total transactions with owners</b>	-	-	460,253	460,253
<b>At 31 December 2020</b>	<b>3,000,002</b>	<b>7,999,999</b>	<b>760,665</b>	<b>11,760,666</b>



**PROTIVITI LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Share capital £	Share premium £	Profit and Loss £	Total equity £
At 1 January 2019	3,000,002	7,999,999	(2,880,529)	8,119,472
<b>Comprehensive expense for the year</b>				
Loss for the financial year	-	-	(717,441)	(717,441)
<b>Total comprehensive expense for the year</b>	-	-	(717,441)	(717,441)
Share Based Payments	-	-	552,424	552,424
<b>Total transactions with owners</b>	-	-	552,424	552,424
<b>At 31 December 2019</b>	<b>3,000,002</b>	<b>7,999,999</b>	<b>(3,045,546)</b>	<b>7,954,455</b>

The notes on pages 16 to 34 form part of these financial statements.



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## PROTIVITI LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. General information

The principal activity of the Company continues to be the provision of internal audit and business risk consulting services.

Protiviti Limited is a private Company limited by shares and is incorporated in the United Kingdom and registered in England, United Kingdom with company registration 04482240. The address of its registered office is Washington House, International Square, Starley Way, Birmingham, B37 7GN.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been consistently applied:

##### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Robert Half International Inc. as at 31 December 2020 and these financial statements may be obtained from [www.roberthalf.com](http://www.roberthalf.com) or 2884 Sand Hill Road, Menlo Park, California, 94025, USA.



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## PROTIVITI LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.3 Revenue

Risk consulting and internal audit services are generally provided on a time-and-material basis or fixed-fee basis. Revenues earned under the time-and-material arrangements are recognised as services are provided. Revenues on a fixed-fee basis are recognised using a proportional performance method as the hours are incurred relative to total estimated hours for the engagement.

The company periodically evaluates the need to provide for any losses on these projects, and losses are recognised when it is probable that a loss will be incurred. Reimbursements, including those relating to travel and out-of-pocket expenses, are included in revenues and equivalent amounts of reimbursable expenses are included in direct costs of services. The company occasionally acts as an agent by arranging the provision of services on behalf of a principal. Where this is the case, only the commission received in return for its performance under the agency agreement is included in turnover.

##### 2.4 Grant Income

Grants and other income receivable from government are recognised in Other operating income. Such amounts receivable as compensation for expenses already incurred are recognised when they become receivable. Other grants are only recognised when it is reasonably certain that the company will comply with the conditions, if any, attached to the grant and that the grant will be received.

##### 2.5 Intangible Assets

Intangible assets relate to software. These are recorded at the acquisition cost and are amortised over the useful economic life of the software which is 3 years. The assets are reviewed for impairment where impairment indicators exist.

##### 2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.



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## PROTIVITI LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Fixtures and fittings	- The shorter of 20% per annum or to the first break
Office equipment	- 20%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Comprehensive Income.

#### 2.7 Operating Leases: Lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease

Incentives received to enter into an operating lease are credited to the Statement of Comprehensive Income to reduce the lease expense, on a straight line basis over the period of the lease. The Company has taken advantage of the exemption in respect of lease incentives on leases in existence on the date of transition to FRS102 (1 January 2014) and continues to credit such lease incentives to the Statement of Comprehensive Income over the period to the first review date on which the rent is adjusted to market rates.

#### 2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.



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**PROTIVITI LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.9 Financial instruments**

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

**(i) Financial Assets**

Basic financial assets, including trade and other receivables, cash and bank balances and loans to other group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost, using the effective interest rate method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Other financial assets are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Comprehensive Income.

Financial assets are unrecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.



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## PROTIVITI LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.8 Financial instruments (continued)

###### (ii) Financial Liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from other group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities are unrecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

###### (iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### 2.10 Foreign currency translation

###### (i) Functional and presentation currency

The company's functional and presentational currency is pound sterling.

###### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.



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## PROTIVITI LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.11 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### 2.12 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Statement Of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### 2.13 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

In particular:

(i) if the company has an onerous contract, the present obligation under the contract shall be recognised and measured as a provision; and

(ii) Restructuring provisions are recognised when the company has a detailed, formal plan for the restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected and therefore has a legal or constructive obligation to carry out the restructuring; and

(iii) Provision is not made for future operating losses

Provision is made for asset retirement obligations, dilapidation's and contingencies. These provisions require management's best estimate of costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgment.



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## PROTIVITI LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.14 Contingencies

Contingent liabilities are not recognised. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

##### 2.15 Current and deferred taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### 2.16 Going Concern

The company considered the outcome of management's review of current and forecast net debt positions and the various financial facilities and options available to the Group. Following a review of the risk and potential impact of unforeseen events, the company confirmed that the application of the going concern basis for the preparation of the financial statements continued to be appropriate.



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PROTIVITI LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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2.17 Share-based payments

Share based payments are calculated in accordance with section 26 of FRS 102. As the shares are granted by the ultimate parent undertaking, to employees of the Company, and no liability falls on the company the scheme is treated as an equity settled scheme. The charge for the year is calculated utilising an appropriate valuation model and is included within administrative expenses. A counterbalancing entry is made to the profit and loss reserve as this relates to the capital contribution to the company from Robert Half International Inc. as no amounts are recharged to the company for the shares granted to employees.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Provision is made for asset retirement obligations, dilapidations and contingencies. These provisions require management's best estimate of costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgment.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Provision of Internal Audit and Business risk consulting services	56,166,752	51,009,392
	<u>56,166,752</u>	<u>51,009,392</u>

Analysis of turnover by country of destination:

United Kingdom	45,830,310	44,087,412
Rest of Europe	2,708,805	1,237,659
North America	7,215,242	4,929,998
Other	<u>412,395</u>	<u>754,323</u>



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**PROTIVITI LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**5. Other operating income**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Grant income	<b>192,975</b>	-
	<b>192,975</b>	-

£192,975 was received from the Coronavirus Job Retention Scheme in 2020. (2019 £NIL). As at 31 December 2020 there is no outstanding income due from the CJRS.

**6. Operating profit/(loss)**

The operating profit/(loss) is stated after charging/(crediting):

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Impairment of trade receivables	<b>28,984</b>	19,508
Depreciation of tangible assets	<b>278,450</b>	349,516
Amortisation of intangible assets	<b>1,293</b>	-
Exchange losses / (gains)	<b>119,975</b>	18,370
Other operating lease rentals - plant & machinery	-	(1,139)

**7. Auditors' remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditors and its associates for the audit of the company's annual financial statements	<b>45,360</b>	36,816
	<b>45,360</b>	36,816



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**PROTIVITI LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**8. Employees**

Staff costs were as follows:

	2020 £	2019 £
Wages and salaries	41,894,367	40,957,816
Social security costs	3,071,255	2,525,994
Other pension costs	905,224	847,787
	<u>45,870,846</u>	<u>44,331,597</u>

Wages and salaries include £2,901,117 (2019: £110,060), which represents the cost of external contractors who are not employed under a contract of services by the company. Although these external contractors do not have a contract of service from the company, for completeness these costs have been included in the above disclosure.

During the year, no Director received any emoluments (2019 - £NIL).

The emoluments of the Directors are paid by another entity within the Robert Half Group. These Directors were remunerated for their services to the Robert Half Group as a whole, including Protiviti Limited and it is not possible to allocate their emoluments to the company. Accordingly, the above details include no emoluments in respect of these Directors. Their total emoluments are included in the aggregate of Directors' emoluments disclosed in the financial statements of Robert Half International Inc.

The average monthly number of employees, including the Managing Directors, during the year was as follows:

	2020 No.	2019 No.
Sales and Administration	203	219
Temporary Staff	112	126
	<u>315</u>	<u>345</u>



**PROTIVITI LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**9. Tax on profit/(loss)**

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax on profit/(loss) for the year	853,269	(157,672)
Adjustments in respect of previous periods	71,551	(12,083)
	<u>924,820</u>	<u>(169,755)</u>
<b>Total current tax</b>	<u>924,820</u>	<u>(169,755)</u>
<b>Deferred tax</b>		
Current Year	(98,006)	(17,991)
Adjustments in respect of previous periods	3,314	(26,785)
<b>Total deferred tax</b>	<u>(94,692)</u>	<u>(44,776)</u>
<b>Taxation on profit/(loss)</b>	<u>830,128</u>	<u>(214,531)</u>

**Factors affecting tax credit for the year**

The tax credit assessed for the year is higher than (2019 - *lower than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit/(loss) before taxation	<u>4,176,086</u>	<u>(931,972)</u>
Profit/(loss) before taxation multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	793,456	(177,075)
<b>Effects of:</b>		
Expenses not deductible for tax purposes and income not taxable	(38,193)	1,412
Adjustments in respect of previous periods	74,865	(38,868)
<b>Total tax expense/(credit) for the year</b>	<u>830,128</u>	<u>(214,531)</u>



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PROTIVITI LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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9. Tax on profit/(loss) (continued)

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%. As the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. However, it is likely that the overall effect of the change, had it been substantively enacted by the balance sheet date, would be to increase the tax expense for the year by £264,635 and increase the deferred tax liability by £79,233.

10. Intangible assets

	Computer Software £
<b>Cost</b>	
At 1 January 2020	35,118
At 31 December 2020	35,118
<b>Amortisation</b>	
At 1 January 2020	33,825
Charge for the year	1,293
At 31 December 2020	35,118
<b>Net book value</b>	
At 31 December 2020	-
At 31 December 2019	1,293



**PROTIVITI LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**11. Tangible assets**

	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2020	1,069,409	934,901	2,004,310
Additions	-	143,012	143,012
Disposals	-	(1,949)	(1,949)
At 31 December 2020	<u>1,069,409</u>	<u>1,075,964</u>	<u>2,145,373</u>
<b>Depreciation</b>			
At 1 January 2020	799,767	766,823	1,566,590
Charge owned for the period	160,692	117,758	278,450
Disposals	-	(1,485)	(1,485)
At 31 December 2020	<u>960,459</u>	<u>883,096</u>	<u>1,843,555</u>
<b>Net book value</b>			
At 31 December 2020	<u>108,950</u>	<u>192,868</u>	<u>301,818</u>
At 31 December 2019	<u>269,642</u>	<u>168,078</u>	<u>437,720</u>

**12. Debtors: amount falling due within one year**

	2020 £	2019 £
Trade debtors	8,666,125	7,415,781
Amounts owed by group undertakings	2,762,976	4,075,436
Other debtors	16,429	83,279
Tax recoverable	-	29,500
Deferred taxation	250,906	156,214
Prepayments and accrued income	3,924,430	3,469,417
	<u>15,620,866</u>	<u>15,229,627</u>



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**PROTIVITI LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**12. Debtors: amount falling due within one year (continued)**

Amounts owed by group undertakings are unsecured, interest free as they are settled within one month and repayable on demand.

Trade Debtors are stated after impairment provisions of £28,984 (2019: £19,508)

**13. Cash at bank and in hand**

	2020 £	2019 £
Cash at bank and in hand	9,245,984	4,461,611
	<u>9,245,984</u>	<u>4,461,611</u>

**14. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	84,403	69,202
Amounts owed to group undertakings	2,687,501	5,138,762
Taxation and social security	5,817,913	3,299,342
Accruals and deferred income	4,589,294	3,449,218
	<u>13,179,111</u>	<u>11,956,524</u>

Amounts owed to group undertakings are unsecured, can accrue interest at market rates and are repayable on demand.



**PROTIVITI LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**15. Financial instruments**

	2020 £	2019 £
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	11,445,529	15,952,830
	<u>11,445,529</u>	<u>15,952,830</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(7,361,198)	(8,643,896)
	<u>(7,361,198)</u>	<u>(8,643,896)</u>

Financial assets include Trade receivables and amounts owed by group companies. Financial liabilities include Trade creditors, amounts owed to group companies and accruals.

**16. Deferred Taxation**

	2020 £	2019 £
Deferred tax asset at the start of the year	156,214	111,438
Recognised within the Statement of Comprehensive Income	94,692	44,776
	<u>250,906</u>	<u>156,214</u>

Deferred taxation has been recognised at 19% (2019:19%).  
The deferred tax asset relates to capital allowances and other timing differences.



**PROTIVITI LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**17. Share Based Payments**

The company's equity-settled share-based payments are made up of discretionary restricted stock programs. At the vesting date, ownership of the shares will transfer to the employee, with no exercise or purchase requirements. The grants will vest 25% (2019: 25%) on each anniversary of the grant date. All unvested units will be forfeited upon termination.

	<b>Weighted average exercise Price (pence) 2020</b>	<b>Number 2020</b>	<i>Weighted average exercise Price (pence) 2019</i>	<i>Number 2019</i>
Outstanding at the beginning of the year	46.46	14,295	34.87	46,599
Granted in the year	44.23	14,005	52.21	9,748
Exercised in the year	44.8	(9,434)	36.40	(13,662)
Transfers In	46.15	224	-	-
Forfeited	-	-	41.23	(28,390)
<b>Outstanding at the end of year</b>	<b>45.64</b>	<b>19,090</b>	<b>46.46</b>	<b>14,295</b>

The statement of comprehensive income has been charged with an expense of £460,253 (2019: £552,424) based on the market value of the shares at the date of grant. The company has not paid any money to the ultimate parent company in respect of shares granted to the company's employees during the current or prior year.



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**PROTIVITI LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**18. Other Provisions**

	2020 £
<b>Dilapidations</b>	
At 1 January 2020	219,272
Charged to the profit & loss	9,619
<b>At 31 December 2020</b>	<b>228,891</b>

**Property Costs**

**Dilapidations (including asset retirement obligations)**

As part of its property leasing arrangements, the company has an obligation to return some properties to their original conditions. Where the company has conducted significant leasehold improvements, such as installing mezzanine floors or partition walls, it has an obligation to remove these improvements. The present value of the expected cost is capitalised as part of the leasehold improvement asset. The provision is expected to be utilised at the end of the respective leases which will be between 1 and 5 years.

As part of the company's property leasing arrangements there is an obligation to repair damages which are incurred during the life of the lease, such as wear and tear. The cost is charged to the profit & loss as the obligation arises. The provision is expected to be utilised between 1 and 5 years as the leases terminate.

**19. Contingent Liabilities**

Robert Half International Inc. issues restricted stock to employees and Directors of the company as an integral part of its compensation programs.

Restricted stock granted subsequent to 5 April 1999 in the UK under unapproved schemes are subject to national insurance contributions on the gain made on the vesting of the restricted stock units.

An accrual was made as at 31 December 2020 for £36,831 (2019: £44,642) based on the year end share price of \$62.48 (2019: \$63.15) and the elapsed portion of the relevant vesting periods.

Based on the year end share price there is a further contingent liability of approximately £84,765 (2019: £50,602) arising by the end of the vesting period that has not been provided for in the financial statements.



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PROTIVITI LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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20. Called up share capital

	2020 £	2019 £
<b>Authorised</b>		
5,000,001(2019: 5,000,001) Ordinary shares of £1 each	<u>5,000,001</u>	<u>5,000,001</u>
<b>Allotted, called up and fully paid</b>		
3,000,002(2019: 3,000,002) Ordinary shares of £1 each	<u>3,000,002</u>	<u>3,000,002</u>

21. Reserves

**Share premium**

The Share premium account includes any premiums received on the issue of share capital. Any transaction costs associated with the issuing of share are deducted from share premiums.

**Profit and loss account**

The Profit and Loss account represents accumulated comprehensive income for the year and prior years plus shared based payment adjustments and related tax credits less dividends paid.

22. Dividends

During the year the company paid dividends totalling £nil (2019: £nil).

23. Pension commitments

The company offers a defined contribution pension scheme to all employees. The company makes a contribution of 7% (2019: 7%) of pensionable earnings. Pension costs for the year were £905,224 (2019 : £847,787) and these were fully paid within 1 month of the year end close.



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**PROTIVITI LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**24. Post Balance Sheet Events**

There are no Post Balance Sheet Events.

**25. Controlling party**

The Directors regard Protiviti Inc., a company incorporated in the USA, as the immediate parent company and Robert Half International Inc., a company incorporated in the USA, as the ultimate parent company and the ultimate controlling party. Robert Half International Inc. heads the largest and smallest group to consolidate these financial statements. Copies of the group financial statements are available from [www.roberthalf.com](http://www.roberthalf.com) or 2884 Sand Hill Road, Menlo Park, California, 94025, USA.