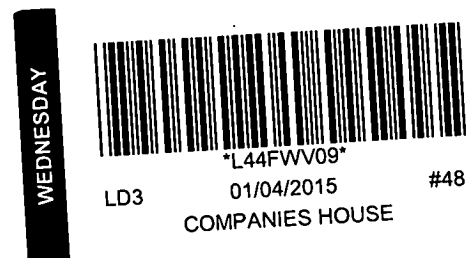


# G4S Government Services Limited

## FINANCIAL STATEMENTS

for the year ended  
31 December 2014



Company Registration No. 1450669

# G4S Government Services Limited

## DIRECTORS, OFFICERS AND PROFESSIONAL ADVISORS

---

### DIRECTORS

G Grosso  
DC Hewitson

### SECRETARY

V Patel

### REGISTERED OFFICE

Southside  
105 Victoria Street  
London  
SW1E 6QT

### AUDITOR

KPMG Audit Plc  
15 Canada Square  
London  
E14 5GL

# G4S Government Services Limited

## STRATEGIC REPORT

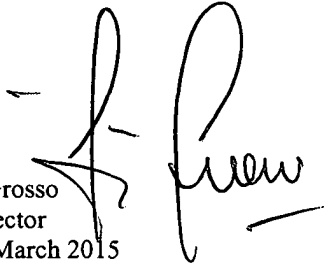
---

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is that of a holding company. The company does not trade. The results for the year are set out in the profit and loss account on page 6.

By order of the board:

G Grosso  
Director  
24 March 2015

A handwritten signature in black ink, appearing to read 'G Grosso', is written over the printed name and date.

# G4S Government Services Limited

## DIRECTORS' REPORT

---

The directors submit their report and the financial statements of G4S Government Services Limited for the year ended 31 December 2014.

### DIVIDENDS

The directors recommended the payment of a final dividend of £2,272,800 (2013: £Nil). This amount was paid during the year.

### DIRECTORS

The following directors have held office since 1 January 2014

G Grosso	
DC Hewitson	(appointed 28 February 2014)
S Curl	(resigned 28 February 2014)
N Richards	(resigned 28 February 2014)

### POLITICAL AND CHARITABLE CONTRIBUTIONS

The Company made no political and no charitable donations during the year (2013: £Nil).

### AUDITOR APPOINTMENT

PricewaterhouseCoopers LLP will be proposed as the Company's auditor for the financial year ending 31 December 2015 and a resolution relating to this appointment will be tabled at the forthcoming annual general meeting of G4S Plc.

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

By order of the board

G Grosso  
Director  
24 March 2015

# G4S Government Services Limited

## STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

---

The directors are responsible for preparing the Strategic Report, the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G4S GOVERNMENT SERVICES LIMITED

---

We have audited the financial statements of G4S Government Services Limited for the year ended 31 December 2014 set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and company's members, as a body, for our audit work, for this report, or the opinions we have formed.

## RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

## OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



**Jonathan Downer (Senior Statutory Auditor)**  
**for and on behalf of KPMG Audit Plc, Statutory Auditor**  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

23 March 2015

# G4S Government Services Limited

## PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2014

---

	<i>Notes</i>	2014 £000	2013 £000
Other operating expenses		(24)	-
		<hr/>	<hr/>
OPERATING LOSS		(24)	-
Interest payable	1	(2)	(5)
Investment income	2	685	796
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	659	791
Taxation	5	-	(35)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	11	659	756
		<hr/> <hr/>	<hr/> <hr/>

The operating profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account for the current and preceding year.

The notes on pages 8 to 12 form part of the financial statements.

# G4S Government Services Limited

## BALANCE SHEET

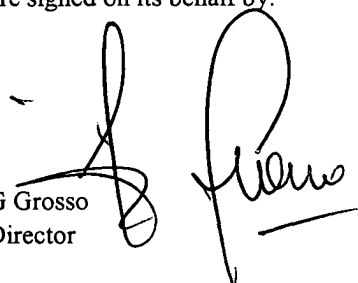
31 December 2014

	<i>Notes</i>	2014 £'000	2013 £'000
<b>FIXED ASSETS</b>			
Investments	7	-	1
Intangible assets	6	454	-
		<u>454</u>	<u>1</u>
<b>CURRENT ASSETS</b>			
Debtors	8	1	3,286
Cash at bank and in hand		1,055	-
		<u>1,056</u>	<u>3,286</u>
<b>CREDITORS</b>			
Amounts falling due within one year	9	(283)	(446)
<b>NET CURRENT ASSETS</b>		<u>773</u>	<u>2,840</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,227</u>	<u>2,841</u>
<b>NET ASSETS</b>		<u>1,227</u>	<u>2,841</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	-	-
Profit and loss account	11	1,227	2,841
<b>EQUITY SHAREHOLDERS' FUNDS</b>	12	<u>1,227</u>	<u>2,841</u>

The notes on pages 8 to 12 form part of the financial statements.

The financial statements were approved by the board of directors and authorised for issue on 24 March 2015 and are signed on its behalf by:

G Grosso  
Director



Company Registration No. 1450669



# G4S Government Services Limited

## ACCOUNTING POLICIES

---

### BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards.

The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the financial statements have been prepared on a going concern basis.

The accounts present information about the company as an individual undertaking and not about its group, as the company has taken advantage of the exemption provided by section 400 of the Companies Act 2006, as it is a wholly owned subsidiary undertaking of G4S plc, a company incorporated in England & Wales, and is included in the consolidated accounts of that company.

Under FRS 1 the Company is exempt from the requirements to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of G4S plc, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

FRS 100 sets out the application of financial reporting requirements in the UK and Republic of Ireland and FRS 101 'IFRS with reduced disclosures' outlines the reduced disclosure framework available for use by qualifying entities choosing to report under IFRS. FRS 102 is applicable in the UK and Republic of Ireland and is known as 'new UK GAAP'. The mandatory effective date for the new framework of reporting is for accounting periods beginning on or after 1 January 2015. The Company will apply either FRS 101 ('IFRS with reduced disclosures') or FRS 102 ('new UK GAAP'). A full analysis is currently being undertaken to identify the most appropriate option.

### TAXATION

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

### DEFERRED TAX

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for the sale of goods and/or services in the ordinary nature of the business, net of Value Added Tax, recognised at the point of delivery of service.

### DIVIDENDS

Dividends are recognised as distributions to equity holders in the period in which they are paid. Dividends proposed or declared but not paid are not recognised but are disclosed in the notes to the financial statements. Dividend income from investments is recognised when shareholders' right to receive payment have been established.

# G4S Government Services Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2014

1	INTEREST PAYABLE	2014 £'000	2013 £'000
	Payable to group companies	2	5
		<u>2</u>	<u>5</u>

2	INVESTMENT INCOME	2014 £'000	2013 £'000
	Dividends received from G4S Gurkha Services (UK) Ltd (previously G4S FSI Ltd)	685	796
		<u>685</u>	<u>796</u>

3	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2014 £'000	2013 £'000
	Profit on ordinary activities before taxation is stated after charging:		
	Depreciation and amounts written off tangible fixed assets:		
	Charge for the year:		
	amortisation of intangibles	24	-
		<u>24</u>	<u>-</u>

The audit fee for 2014 of £Nil (2013: £1,000) is paid by a fellow subsidiary G4S Secure Solutions (UK) Ltd.

No other fees were paid to KPMG Audit Plc in respect of the company (2013: £Nil).

#### 4 EMPLOYEES

The company has no employees (2013: Nil)

#### DIRECTORS' REMUNERATION

The directors received no emoluments in the year in respect of their services to the company (2013: £Nil).

# G4S Government Services Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2014

5	TAXATION	2014 £'000	2013 £'000
	Current tax:		
	UK corporation tax on profit for the year	(5)	(1)
	Under provision in respect of previous years	5	36
	Total current tax	-	35
	Tax charge on ordinary activities	-	35
	Factors affecting tax charge for year:		
	The tax assessed for the year is lower than the standard rate of corporation tax in the UK (21.5%). The differences are explained below:		
	Profit on ordinary activities before tax	659	791
	Profit on ordinary activities multiplied by standard rate of corporation tax in the UK (21.5% (2013: 23.3%))	142	184
	Effects of:		
	Non Taxable UK Dividend	(147)	(185)
	Adjustment in respect of previous years	5	36
	Current tax charge for year	-	35

6	INTANGIBLE FIXED ASSETS	Goodwill £'000
	Cost:	
	1 January 2014	-
	Additions	478
	31 December 2014	478
	Amortisation:	
	1 January 2014	-
	Charged in the year	24
	31 December 2014	24
	Net book value:	
	31 December 2014	454
	31 December 2013	-

On 22 May 2014 G4S Government Services Ltd purchased the 15% minority shareholding in G4S Gurkha Services (UK) Ltd from FSI Worldwide Ltd and now fully owns G4S Gurkha Services (UK) Ltd.

# G4S Government Services Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2014

7	INVESTMENTS	2014 £'000	2013 £'000
	1 January	-	1
	31 December	-	1

The company now fully owns G4S Gurkha Services (UK) Ltd (previously G4S FSI Limited), see Note 6. The principle activities of G4S Gurkha Services (UK) Ltd is the provision of security solutions including manned guarding services (including retail, commercial and special events), mobile and response services, key holding, alarm monitoring, electrical security, risk and consultancy services.

8	DEBTORS	2014 £'000	2013 £'000
	Due within one year:		
	Amounts owed by group undertakings	1	3,286
		1	3,286

Amounts owed by group undertakings are unsecured, repayable on demand with interest receivable at 2.06% (2013: 2.03%).

9	CREDITORS: Amounts falling due within one year	2014 £'000	2013 £'000
	Amounts owed to group undertakings	280	411
	Corporation Tax	3	35
		283	446

Amounts owed to group undertakings are unsecured, repayable on demand with interest payable at 3.06% (2013: 3.03%).

10	SHARE CAPITAL	2014 £	2013 £
	Authorised:		
	100,000 ordinary shares of £1 each. (2013: 100,000 ordinary shares of £1 each).	100,000	100,000
	Allotted, issued and fully paid:		
	3 ordinary shares of £1 each. (2013: 3 ordinary shares of £1 each).	3	3

# G4S Government Services Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2014

---

11	PROFIT AND LOSS ACCOUNT	2014 £'000	2013 £'000
	1 January	2,841	2,085
	Profit for the financial year	659	756
	Dividend paid	(2,273)	-
	31 December	<u>1,227</u>	<u>2,841</u>

12	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2014 £'000	2013 £'000
	Profit for the financial year	659	756
	Dividend paid	(2,273)	-
	Net movement in shareholders' funds	<u>(1,614)</u>	<u>756</u>
	Opening shareholders' funds	2,841	2,085
	Closing shareholders' funds	<u>1,227</u>	<u>2,841</u>

### 13 CONTINGENT LIABILITIES

The company is included in a Group registration for VAT purposes and is therefore jointly and severally liable for all other group companies' unpaid debts in this connection. The liability of the UK Group registration at 31 December 2014 totalled £13,717,244 (2013: £16,973,772).

### 14 ULTIMATE PARENT UNDERTAKING

The company is a wholly owned subsidiary of G4S UK Holdings Limited, a company incorporated in the United Kingdom.

The ultimate parent company is G4S plc, which is registered in England and Wales. Copies of the group accounts of G4S plc can be obtained from The Manor, Manor Royal, Crawley, West Sussex, RH10 9UN.