

G4S Holdings 3 (UK) Limited

FINANCIAL STATEMENTS

for the year ended

31 December 2011

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Company Registration No 02380914

G4S Holdings 3 (UK) Limited

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G4S Holdings 3 (UK) Limited

DIRECTORS AND OFFICERS

DIRECTORS

PV David

TL Dighton

SECRETARY

C Barroche

REGISTERED OFFICE

The Manor

Manor Royal

Crawley

West Sussex

RH10 9UN

AUDITOR

KPMG Audit Plc

15 Canada Square

London

E14 5GL

G4S Holdings 3 (UK) Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of G4S Holdings 3 (UK) Limited for the year ended 31 December 2011

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was that of an investment holding company. The principal activity of its subsidiaries continues to be the provision of secure solutions and cash solutions worldwide.

REVIEW OF THE BUSINESS

The directors consider the results for the period to be satisfactory and that future results will be of a similar nature.

RESULTS AND DIVIDENDS

The profit before tax for the financial year was £46,989,948 (2010 £3,499,706). The company paid dividends during the year of £47,000,000 (2010 £nil).

DIRECTORS

The following directors held office during the period:

PV David

TL Dighton

DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

By order of the board



PV David
Director

16 April 2012

G4S Holdings 3 (UK) Limited

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

The directors are responsible for preparing 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, 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 HOLDINGS 3 (UK) LIMITED

We have audited the financial statements of G4S Holdings 3 (UK) Limited for the year ended 31 December 2011 set out on pages 5 to 11. 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 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 for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 (APB'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 APB's web-site at www.frc.org.uk/apb/scope/private.cfm

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 2011 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 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



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

16 April 2012

G4S Holdings 3 (UK) Limited
PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2011

		31 December 2011 £'000	31 December 2010 £'000
	<i>Notes</i>		
Income from shares in group undertakings		47,000	3,500
Provision for impairment of investments		(10)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		46,990	3,500
Tax on profit on ordinary activities	4	397	415
PROFIT FOR THE FINANCIAL YEAR	8	47,387	3,915

The operating result for the period 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

There is no difference between the results as stated and the results on a historical cost basis

G4S Holdings 3 (UK) Limited

BALANCE SHEET

As at 31 December 2011

	Notes	31 December 2011 £'000	31 December 2010 £'000
FIXED ASSETS			
Investments	5	69,794	69,804
CURRENT ASSETS			
Taxation		1,265	2,151
Amounts owed by group undertakings		1,283	898
Cash at bank and in hand		-	402
		<u>2,548</u>	<u>3,451</u>
CREDITORS Amounts falling due within one year			
Amounts owed to group undertakings		(50,202)	(51,502)
Preference shares	6	(14,100)	(14,100)
		<u>(64,302)</u>	<u>(65,602)</u>
NET CURRENT LIABILITIES		<u>(61,754)</u>	<u>(62,151)</u>
NET ASSETS		<u>8,040</u>	<u>7,653</u>
CAPITAL AND RESERVES			
Called up share capital	7	3,028	3,028
Profit and loss account	8	5,012	4,625
SHAREHOLDERS FUNDS	9	<u>8,040</u>	<u>7,653</u>

These financial statements were approved by the Board of Directors on 16 April 2012 and signed on its behalf by



PV David
Director

Company registration number 02380914

G4S Holdings 3 (UK) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2011

1 ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards (United Kingdom Generally Accepted Accounting Practice)

The company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

Under Financial Reporting Standard (FRS) 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As 100% of the company's voting rights are controlled within the group headed by 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 are wholly owned members of the group. The consolidated financial statements of G4S plc, within which this company is included, can be obtained from the address given in note 12.

INVESTMENTS

Long term investments in subsidiary undertakings are classified as fixed assets and stated at cost. Provision is made for any permanent diminution in the value of fixed asset investments.

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 is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

PENSION COSTS

The company is a member of a group wide pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. The company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as permitted by FRS 17 'Retirement benefits', accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

PREFERENCE SHARES

The preference shares are stated at their redeemable value and are accounted for as current liabilities.

G4S Holdings 3 (UK) Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2011

1 ACCOUNTING POLICIES (Continued)

GOING CONCERN

The financial statements have been prepared on the going concern basis, notwithstanding the company's net current liabilities, which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by G4S plc, the company's ultimate parent undertaking. G4S plc has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available.

This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on its parent undertaking for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

2 STAFF COSTS

There were no employees during the current and prior period and therefore the company incurred no staff costs.

DIRECTORS REMUNERATION

The directors received no emoluments in the current and prior period in respect of their services to the company.

3 AUDITOR'S REMUNERATION

The auditor's remuneration of £800 was borne by another group company (2010: £800).

G4S Holdings 3 (UK) Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2011

4	TAXATION	31 December 2011 £'000	31 December 2010 £'000
	<i>Analysis of tax credit in period</i>		
	<i>UK Corporation Tax</i>		
	Current tax on results of the period	(444)	(415)
	Adjustments in respect of prior periods	47	-
		<u>(397)</u>	<u>(415)</u>

The tax credit for the period represents credit received from fellow subsidiaries for the surrender of current tax losses

The tax assessed for the period is lower than (2010 lower than) the standard rate of corporation tax in the UK of 26.5% (2010 28%). The differences are explained below

	31 December 2011 £'000	31 December 2010 £'000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	46,990	3,500
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 28%)	12,452	980
<i>Effects of</i>		
Dividend income not subject to corporation tax	(12,455)	(980)
Investment impairments not subject to corporation tax	3	-
Imputed loan interest adjustments	(444)	(415)
Total current tax credit	<u>(444)</u>	<u>(415)</u>

G4S Holdings 3 (UK) Limited
NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2011

5	FIXED ASSET INVESTMENTS	Shares in subsidiary undertakings £'000
	<i>Cost</i>	
	At beginning and end of year	69,804
	<i>Provision</i>	
	Impairment	10
	At end of year	10
	<i>Net Book Value</i>	
	31 December 2011	69,794
	31 December 2010	69,804

The principal companies in which the company's direct interest at the year end is more than 20% are as follows

Subsidiary undertakings	Country of incorporation	Class of holding	Direct ownership	Nature of business
Group 4 Falck Limited	United Kingdom	Ordinary	100%	Secure solutions
G4S Investments 4 (UK) Limited	United Kingdom	Ordinary	99%	Secure solutions
G4S (Northern Ireland) Limited	United Kingdom	Ordinary	100%	Secure solutions
G4S Technology Limited	United Kingdom	Ordinary	100%	Secure solutions
Group 4 Total Security Limited	United Kingdom	Ordinary	100%	Secure solutions

6 PREFERENCE SHARES

VOTING RIGHTS

Preference shareholders may vote on resolutions on winding-up, reductions in share capital and variations in their class rights

RIGHTS ON WINDING-UP

In the event of a winding-up resolution, or a resolution relating to a return of capital being passed, the preference shareholders have first priority in a distribution, receiving 100p per share plus arrears of dividend

REDEMPTION DETAILS

The preference shares can be redeemed by the company provided 28 days written notice is given to the shareholders. Redemption will be on the basis of 100p per share plus arrears of dividend

7	SHARE CAPITAL	31 December 2011	31 December 2010
		£	£
	<i>Allotted, issued and fully paid</i>		
	3,028,000 ordinary shares of £1 each	3,028,000	3,028,000
	(2010 3,028,000 ordinary shares of £1 each)		

G4S Holdings 3 (UK) Limited
NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 31 December 2011

8	PROFIT AND LOSS ACCOUNT	31 December 2011 £'000	31 December 2010 £'000
	At beginning of year	4,625	710
	Profit for the period	47,387	3,915
	Dividends paid	(47,000)	-
	At end of year	5,012	4,625
9	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	31 December 2011 £'000	31 December 2010 £'000
	Profit for the period	47,387	3,915
	Dividends paid	(47,000)	-
	Opening shareholders' funds	7,653	3,738
	Closing shareholders' funds	8,040	7,653

10 PENSION

The company is a member of a group wide pension scheme providing benefits based on final pensionable pay. The company is unable to identify its separate share of the scheme assets and liabilities on a consistent and reasonable basis therefore as permitted by FRS 17 'Retirement benefits', the scheme has been accounted for in these financial statements as if the scheme was a defined contribution scheme.

At 31 December 2011 the scheme has a deficit of £84,706,000 (2010 £76,356,000). This was based on the full actuarial valuation carried out on 5 April 2009 and was updated for FRS 17 purposes to 31 December 2011 by a qualified independent actuary.

The contribution for the year was £nil (2010 £nil) and is expected to remain the same for the forthcoming year.

11 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 2011 totalled £20,509,520 (2010 £14,372,123).

12 ULTIMATE PARENT COMPANY

G4S Holdings 3 (UK) Limited is controlled by its ultimate parent G4S plc, a company registered in England and Wales. The largest group in which the results of the company are consolidated is that headed by G4S plc. No other group financial statements include the results of the company. Copies of the group accounts of G4S plc can be obtained from The Manor, Manor Royal, Crawley, West Sussex, RH10 9UN.