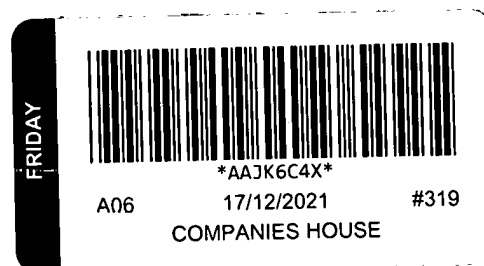


Registered no: 00148022

Control Risks Limited
Annual Report
for the year ended 31 March 2021



Control Risks Limited
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Control Risks Limited

COMPANY INFORMATION

Directors	Nicholas Allan Kathryn Fleming Sally McNair Scott
Company Secretary	Sally McNair Scott
Company registration number	00148022
Registered office	Cottons Centre Cottons Lane London SE1 2QG
Independent auditor	Deloitte LLP Statutory Auditor London

Control Risks Limited

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2021 (continued)

The directors present their annual report and the audited financial statements for the year ended 31 March 2021.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. The directors have taken advantage of section 414B whereby Control Risks Limited ("the Company") is exempt from preparing a strategic report.

Principal activities, review of business and future developments

The Company acts as an intermediate holding company for the Control Risks group of companies with Control Risks International Limited ('CRIL') as the ultimate parent undertaking.

Going concern

The financial statements have been prepared on the going concern basis since the ultimate parent company, Control Risks International Limited ('CRIL'), has formally stated that it will provide the necessary financial support to the company for at least twelve months from the date of approval of these financial statements. The directors have considered the ability of CRIL to continue to operate as a going concern, giving due consideration to the forecasted cash flows and its ability to meet its liabilities as they fall due for a period of 12 months following the approval of the financial statements, details of which are included in the consolidated financial statements of CRIL. Therefore the Directors are comfortable that CRIL is both willing and able to support the company as required and to help it meet its own liabilities as they fall due for the next 12 months. Consequently, they deem the going concern basis of preparation as appropriate.

Business review

The Company reported a loss for the year of £61,000 (2020: £91,000), the financial position at the year-end was in a net asset position (2020: net asset) and the overall level of activity is expected to be at least maintained in the foreseeable future.

The directors do not recommend the payment of a dividend (2020: £nil).

Directors

The following directors held office throughout the year and to the date of this report:

Nicholas Allan
Kathryn Fleming
Sally McNair Scott

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report.

Control Risks Limited

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Auditor

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

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

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

Deloitte LLP have expressed their willingness to continue in office as auditors and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Statement of Directors' Responsibilities

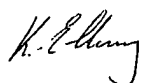
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board and signed on its behalf by:



K Fleming
Director

10 December 2021

Control Risks Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONTROL RISKS LIMITED

Opinion

In our opinion the financial statements of Control Risks Capital Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

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

Conclusions relating to going concern

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

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

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

Control Risks Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OF CONTROL RISKS LIMITED (continued)

Other information

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

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

We have nothing to report in this regard.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

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

Control Risks Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OF CONTROL RISKS LIMITED (continued)

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

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. No frameworks were identified.

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

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

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

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

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Control Risks Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OF CONTROL RISKS LIMITED (continued)

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

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



Chris Donovan (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor,
London
10 December 2021

Control Risks Limited
INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £'000	2020 £'000
Interest payable	4	(92)	(91)
Dividends received from group undertakings		<u>31</u>	<u>-</u>
Loss on ordinary activities before taxation	3	(61)	(91)
Tax on loss on ordinary activities	7	<u>-</u>	<u>-</u>
Loss for the year		<u>(61)</u>	<u>(91)</u>

All results are from continuing operations.

The company has no recognised gains and losses other than those shown above and therefore no separate statement of comprehensive income has been presented.

The notes on pages 12 to 17 form part of these financial statements.

Control Risks Limited

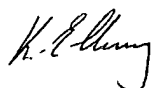
STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 £'000	2020 £'000
Fixed assets			
Investments	8	<u>5,714</u>	<u>5,714</u>
Creditors: amounts falling due within one year	9	<u>(5,462)</u>	<u>(5,401)</u>
Net current liabilities		<u>(5,462)</u>	<u>(5,401)</u>
Net assets		<u>252</u>	<u>313</u>
Capital and reserves			
Called up share capital	10	250	250
Profit and loss account		2	63
Shareholder's funds		<u>252</u>	<u>313</u>

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts of Controls Risk Limited (registered number 00148022) were approved by the board of directors and authorised for issue on 10 December 2021. They were signed on its behalf by:



Kathryn Fleming
Director

The notes on pages 12 to 17 form part of these financial statements.

Control Risks Limited
STATEMENT OF CHANGES IN EQUITY
AS AT 31 MARCH 2021

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 April 2019	250	154	404
Loss for the year	-	(91)	(91)
Balance at 31 March 2020	250	63	313
Loss for the year	-	(61)	(61)
Balance at 31 March 2021	250	2	252

The notes on pages 12 to 17 form part of these financial statements.

Control Risks Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Principal accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

a. General information and basis of accounting

Control Risks Limited (the Company) is a private Company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is shown on page 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

Group accounts have not been prepared as the Company is a wholly owned subsidiary undertaking of Control Risks International Limited, a company incorporated in Jersey, which prepares group accounts. These financial statements present information about the Company as an individual company and not about its group.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to financial instruments, related party transactions, standards not yet effective and presentation of a cash flow statement.

b. Going concern

The financial statements have been prepared on the going concern basis since the ultimate parent company, Control Risks International Limited ('CRIL'), has formally stated that it will provide the necessary financial support to the company for at least twelve months from the date of approval of these financial statements. The directors have considered the ability of CRIL to continue to operate as a going concern, giving due consideration to the forecasted cash flows and its ability to meet its liabilities as they fall due for a period of 12 months following the approval of the financial statements, details of which are included in the consolidated financial statements of CRIL. Therefore the Directors are comfortable that CRIL is both willing and able to support the company as required and to help it meet its own liabilities as they fall due for the next 12 months. Consequently, they deem the going concern basis of preparation as appropriate.

c. Foreign currencies

Transactions denominated in foreign currencies are translated into local currency at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into local currency at the rate of exchange ruling at the balance sheet date. Exchange gains or losses are included in the income statement.

Control Risks Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021 (continued)

d. Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

e. Interest income and expense

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Interest expense is recognised when it is probable that the economic benefits will flow from the Company and the cost can be measured reliably, accrued on a time basis.

f. Investments

Investments in subsidiary companies are included at cost less provision for impairment.

g. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

h. Taxation

Current tax provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Provision is made for deferred tax using the liability method on timing differences between profit included in the financial statements and as computed for tax purposes.

Control Risks Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021 (continued)

The provision is made at the rate expected to apply when the timing differences are expected to reverse. Deferred tax liabilities are included in all cases, but deferred tax assets are only included where recovery is more likely than not. Deferred taxation is measured on a non-discounted basis.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The directors have assessed the judgements made and the key estimates used in compiling the financial statements for the Company and have concluded that none were material and deemed critical to meet reporting requirements to disclose.

3. Loss on ordinary activities

Auditor's remuneration of £10,000 (2020: £8,000) has been borne by Control Risks Group Limited and is shown, on a consolidated basis in the financial statements of Control Risks International Limited. There were no non audit services provided in the current or previous financial year.

4. Interest payable

	2021 £'000	2020 £'000
Intra-group interest payable	<u>92</u>	<u>91</u>

5. Directors' emoluments

There were 3 directors (2020: 4) of the Company during the year, none (2020: none) of whom received emoluments for services to the Company. All of the directors were directors of the ultimate holding company, Control Risks International Limited, and received their remuneration in that capacity.

Control Risks Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021 (continued)

6. Employee information

The average number of persons (including executive directors) employed during the year is analysed below:

	2021 No.	2020 No.
Management	<u>3</u>	<u>2</u>
	<u>3</u>	<u>2</u>

7. Tax on loss on ordinary activities

a. Analysis of tax charge for the year

The tax charge for the year was £nil (2020: £nil).

b. Factors affecting tax charge for the year

The tax charge for the year is different from the standard rate of corporation tax in the United Kingdom of 19% (2020: 19%). The differences are explained below:

	2021 £'000	2020 £'000
Loss on ordinary activities before taxation	<u>(61)</u>	<u>(91)</u>
Loss on ordinary activities before taxation multiplied by the standard rate of corporation tax of 19% (2020: 19%)	(12)	(17)
Effects of:		
Income not taxable	(6)	-
Tax losses not utilised	18	17
Current tax charge for the year	<u>-</u>	<u>-</u>

c. Factors affecting tax charges for future years

At 31 March 2021, the Company also had a deferred tax asset of £109,000 (2020: £98,000) which was not included in the financial statements as recovery is not certain.

The March 2021 Budget announced an increase to the main rate of corporation tax to 25% from April 2023. This rate has not been substantively enacted at the balance sheet date, as a result deferred tax balances as at 31 March 2021 were measured at 19%. If all of the deferred tax was to reverse at the amended 25% rate, the impact on the closing deferred tax asset referenced above would be £34,000.

Control Risks Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021 (continued)

8. Fixed asset investments

	Interests in group undertakings £'000
Cost and Net Book Value	
At 1 April 2020 and 31 March 2021	5,714

Interests in group undertakings at 31 March 2021 represent the direct cost of investment in the issued shares of the following companies:

Name	Description of shares held	Proportion of nominal value of issued shares held %	Country of incorporation
Control de Riesgos SA	COP 1 ordinary shares	37.6	Colombia
Control Risks Group LLC	USD 1 common units and USD 1 preference stock	100.0	USA

The companies are involved in the provision of security management consultancy, international investigations and related information services. The assets, liabilities and results of these companies have been included in the consolidated accounts of Control Risks International Limited.

The registered addresses of group undertakings are as follows:

Control de Riesgos SA	Calle 93 B No. 18 - 12 Office 502, Chico Business Park, Bogotá, Colombia
Control Risks Group LLC	1600 Smith Street, Suite 4900, Houston, TX 77002, USA

9. Creditors

	2021 £'000	2020 £'000
Amounts falling due within one year:		
Amounts due to group companies	5,462	5,401

Amounts due to group companies accrue interest at a rate of 4%, are unsecured and repayable on demand.

10. Share capital and reserves

	2021 £'000	2020 £'000
Authorised, allotted, called up and fully paid		
250,000 ordinary shares of £1 each	250	250

Control Risks Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021 (continued)

11. Commitments and guarantees

a. Banking arrangements

The Company has provided a guarantee along with several other subsidiaries to secure the banking facilities made available to Control Risks Group Holdings Limited. The extent of the borrowings to which this guarantee relates is disclosed in the financial statements of Control Risks Group Holdings Limited.

12. Subsequent events

There were no subsequent events.

13. Ultimate parent undertaking

The immediate parent undertaking is Control Risks Group Holdings Limited, a company registered in England and Wales.

The ultimate parent undertaking is Control Risks International Limited, a company registered in Jersey which produces consolidated group accounts incorporating the results, assets and liabilities of Control Risks Group Holdings Limited and its subsidiaries.

Copies of the holding companies' financial statements may be obtained from The Secretary, Control Risks International Limited, Cottons Centre, Cottons Lane, London, SE1 2QG.