REGISTERED NUMBER: 03294136

Strategic Report, Directors' Report and

Financial Statements for the Year Ended 31 December 2021

for

GL Industrial Services UK Limited

GL Industrial Services UK Limited

Contents of the Financial Statements
for the Year Ended 31 December 2021

GL Industrial Services UK Limited

Company Information
for the Year Ended 31 December 2021

DIRECTORS:	P Vamadevan K Hughes R T Stebbings
REGISTERED OFFICE:	Holywell Park Ashby Road Loughborough Leicestershire LE11 3GR
REGISTERED NUMBER:	03294136
AUDITOR:	KPMG LLP 15 Canada Square London E14 5GL

GL Industrial Services UK Limited

Strategic Report
for the Year Ended 31 December 2021

The directors present their strategic report for the year ended 31 December 2021.

REVIEW OF BUSINESS

The principal activity of the company is delivering value adding technical and engineering solutions to UK gas transportation companies and other energy sector and utility infrastructure owners and operators internationally. It is also a specialist provider of technology products and services that support the development of gas markets. The company employs world leaders in many disciplines, enabling it to offer bespoke consultancy services. GL Industrial Services UK Limited is particularly active in the gas and pipelines markets, focusing on transmission pipelines, distribution networks and gas measurement, with niche skills in relation to upstream asset performance improvement and energy utilization.

The key financial and other performance indicators during the year were as follows:

	2021	**2020**	**Change**
	£'000	**£'000**	**%**
Turnover	47,934	43,594	10%
Operating profit	2,949	481	513%
Shareholders' fund	36,061	33,087	9%

Turnover in 2021 increased by 10% from £43.6m in 2020 to £47,9m in 2021 due to the weakening of COVID-19 pandemic and markets slowly coming back to the previous state.
This is in line with management expectations.
The increase in the operating profit by £2.4m (513%) is attributable to the improving market conditions, better cost management and the increase in turnover.
The main driver for the increase in the shareholders' funds from the prior year was profit generated in 2021.

GL Industrial Services UK Limited

Strategic Report
for the Year Ended 31 December 2021

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company and how they are mitigated are set out below.

The loss or modification of large contracts

The company has a broad customer base with a significant number of individual contracts which limits the impact of potential adverse changes to or loss of projects.

The competitive nature of the industry

The strength of customer relationships founded on the company's reputation for quality service delivery combined with the scale and geographical coverage of the group underpins the company's ability to win new business.

Changes in laws or regulation

The group has invested in internal quality controls and training provision to ensure the highest standards are maintained in line with legal and regulatory requirements.

Breaches in environmental or health and safety law or regulation

The group has invested in internal HSE controls and training provision to ensure the highest standards are maintained in line with legal and regulatory requirements.

Departure from the European Union

Following the UK's Departure from the EU, a trade agreement was approved by both parties in December 2020. This removes the risks associated with a "hard Brexit" but uncertainties around the future still remain.

The Directors continue to monitor additional risk faced by the Company. The principal elements of this risk are considered to be increased volatility in currency exchange. This is monitored and mitigated as discussed in Price Risk below. The second principle risk was considered to be labour market risk due to the multi-cultural workforce of the Company. This risk has now reduced with the trade agreement now in place.

FINANCIAL RISK MANAGEMENT

The company uses financial instruments, other than derivatives, comprising cash and other liquid resources and various other items such as debtors and creditors that arise directly from its operations. The main risks from the company financial instruments have been considered below along with the policy for managing these risks.

Currency risk

The company is exposed to transaction and translation foreign exchange risk on intercompany transactions and significant sales to overseas companies. The company seeks to balance the flows of currency across countries to minimise any imbalance of foreign currency receipts and payments.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made.

Price Risk
The company has exposure to foreign currency risk due to various intercompany balances and significant sales to overseas companies. The company seeks to balance the flows of currency across countries to minimise any imbalance of foreign currency receipts and payments.

Liquidity risk
Sufficient liquidity of the company, in order to meet foreseeable needs, is achieved through retained profits. Excess cash balances of the company are transferred on a regular basis to the group cash pooling account, and cash flow is regularly monitored and controlled against forecast by the group treasury department.

Effects of the increase in the inflation rate
Being a service company, most of the costs in the income statement of GL Industrial Services UK Limited are made up of salary costs and internal/external hired assistance. The forecasts that were prepared for the going concern already takes account of increases on these costs for 2022.

FUTURE DEVELOPMENTS
The directors will continue to look to grow the business across the UK and international gas sector through continued investment in people and technology.

COVID-19
Since the first quarter of 2020 the Company has been impacted by the COVID-19 pandemic.
Initially the full extent, consequences and duration of the COVID-19 pandemic and the operational and financial impact for the Company were difficult to predict. The impact of the pandemic has not been as severe as was initially predicted however Management continues to monitor the situation closely.

The key risks associated with the COVID-19 pandemic include:

- Employees: The Company is working to look after the health and well being of all employees.
- Customers: Revenues may be impacted by restriction on movements of customers. The Company has also put in place plans to provide services remotely where possible. The Company could be exposed to a downturn in consumer confidence, particularly linked to the volatility of the oil price.
- Supply chain: Business processes could be disrupted due to lack of availability of workforce, disruption to distribution networks, and restrictions placed by overseas governments. The Company is working with key suppliers to ensure continuity of supplies wherever possible.
- Debt collection : At the start of the COVID pandemic it had been expected that some customers may experience liquidity problems. This has not been the case and the Company continues with strong debt collection processes.
- Finance: The company continues to monitor the effects of COVID-19 with revenues expected to return to pre pandemic levels. The company is continuing to monitor non refundable expenses spent on a monthly basis. Cash flows are being monitored closely to ensure that all liabilities can be paid as they fall due.

SECTION 172(1) STATEMENT
In discharging section 172 duties, the directors are required to have regard, among other matters, to the likely consequences of any decisions in the long term; in the interests of the Company's employees; the need to foster the Company's business relationships with suppliers, customers and others; the impact of the Company's operations on the community and environment; the desirability of the Company maintaining a reputation of high standards of business conduct; and the need to act fairly between members of the Company.

In addition to the above, the Directors also have regarded other factors, which are considered relevant to the decisions being made. These factors include the interests and views of the Company's stakeholders and the Directors' relationships with regulators. The Directors acknowledge that every decision made will not necessarily result in a positive outcome for all of the Company's stakeholders. By considering the Company's purpose and values, together with its strategic priorities and having a process in place for decision-making, the Directors do however aim to make sure that it's decisions are consistent and predictable.

2021 SECR STATEMENT: GREENHOUSE GAS EMISSIONS AND ENERGY CONSUMPTION
Introduction:

The purpose of this document is to disclose GL Industrial Services UK Ltd.'s annual energy consumption and GHG emissions and comparative previous year of 2020 following the UK Streamlined Energy and Carbon Reporting (SECR) .

Methodology:

Scope 1 emissions come from the combustion of natural gas at our sites and Scope 2 emissions come from the generation of purchased energy, and Scope 3 comes from millage of business travel in rental cars and employees company cars. Scope 2 emissions are location based. Our measurement takes the amount of energy consumed multiplied by its appropriate emission factor (e.g., kgCO2 per kWh), to provide a representative value for the carbon dioxide emissions. For business travel (employee owned and rented vehicles) we used average car emissions to convert miles to tCO2e and kWh.

The emissions factors come from DEFRA GHG. The methodology is consistent with the 2021 edition of the UK Government GHG Conversion Factors for Company Reporting and GHG Reporting Protocol - Corporate Standard.

GL Industrial Services UK Limited

Strategic Report
for the Year Ended 31 December 2021

Table 1: GL Industrial Services UK Ltd. underlying Energy Consumption 2020-2021

Energy consumption kWh	**2020**	**2021**	**Difference %**
Electricity	1,669,780	1,517,046	-9%
Natural gas	1,633,352	1,787,104	9%
LPG	7,495,450	8,628,898	15%
Business travel	231,495	277,733	20%
Total	**11,030,078**	**12,210,780**	**11%**

Emissions Scope		tCO2e **2020**	**2021**	**Difference %**
Emissions from combustion of gas	1	1,908	2,178	14%
Emissions from combustion of fuel for transport purposes	1	-	-	-
Emissions from purchased electricity	2	389	322	-17%
Scope 1+2		**2,297**	**2,500**	**9%**
Emissions from business travel in rental cars or employee-owned vehicles where the business is responsible for purchasing the fuel	3	56	68	21%
Scope 1+2+3		**2,354**	**2,568**	**9%**
t CO2e / m2 office space (Scope 1 + 2)		0.01	0.01	
t CO2e / m2 office space (Scope 1 + 2 + 3)		0.01	0.01	
t CO2e / employee (Scope 1 + 2)		7.7	8.3	
t CO2e / employee (Scope 1 + 2 + 3)		7.8	8.6	

Measure taken to improve energy efficiency: Energy and Carbon Reduction

DNV show reductions in air travel from all offices by promoting use of Microsoft Teams and Web conferences. 80,000 meetings via teams have taken place throughout the COVID pandemic, which has permitted the business to continue to operate with clients via virtual meetings and internally within DNV.

Carbon Neutral energy is purchased to offset greenhouse gases where renewable utility contracts is not in place, and have been Carbon Neutral since 2018.

Further initiatives going forward from 2021 are:
- The electronic car scheme, where staff can make use of this scheme through salary sacrifice
- The aim to ensure all buildings use at least 50% green energy by the end of the year
- 25% per head, carbon reduction by 2025
- Promote environmental initiates with our customers across the globe.

GROUP ANNUAL ENERGY EFFICIENCY STATEMENT
At DNV, our aim is to deliver safer, smarter and greener performance in everything we do. This is achieved by reducing our own environmental impact when working in our offices and travelling to offices and through the provision of services to our customers.

We achieved this throughout 2021 by focusing on the reduction of Carbon production through employee air travel and use of company cars and monitoring the energy usage in our buildings and offices.

DNV have produced an energy efficiency handbook which all DNV regions adhere to. Factors include; office energy reduction, reduction of CO2 through travel reduction, waste material and reduction amongst other initiatives. All energy and waste is reported in Synergi Life, the DNV on-line portal. The information is collected on an annual basis. DNV show reductions in Air travel from all offices by promoting use of Microsoft Teams and Web conferences. 80,000 meetings via teams have taken place throughout the COVID pandemic, which has permitted the business to continue to operate with clients via virtual meetings and internally within DNV. Carbon Neutral energy is purchased to offset greenhouse gases and have been Carbon Neutral since 2018. Further initiatives going forward from 2022 include the introduction of an electronic car scheme, where staff can make use of this scheme through salary sacrifice.

ON BEHALF OF THE BOARD:

R T Stebbings - Director

22 June 2022

GL Industrial Services UK Limited

Directors' Report
for the Year Ended 31 December 2021

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

DIVIDENDS
No dividends will be distributed for the year ended 31 December 2021 and there were no dividends distributed for the year ended 31 December 2020.

RESEARCH AND DEVELOPMENT
Costs incurred in relation to research and development activity are charged to the profit and loss account in the period in which they are incurred, other than costs and time of plant and equipment which are capitalized.

As part of the company's services to customers, the company undertakes certain research and development activities on their behalf. Turnover and costs associated with such activities are treated in the same way as all other service activities.

EVENTS SINCE THE END OF THE YEAR
Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS
P Vamadevan has held office during the whole of the period from 1 January 2021 to the date of this report.

Other changes in directors holding office are as follows:

Dr M J Pritchard - resigned 21 May 2021
K Hughes - appointed 1 March 2021

R T Stebbings was appointed as a director after 31 December 2021 but prior to the date of this report.

M C Fernandez ceased to be a director after 31 December 2021 but prior to the date of this report.

POLITICAL DONATIONS AND EXPENDITURE
The Company made no political donations or incurred any political expenditure during the year or in the previous year.

GOING CONCERN

During the year, the company made a profit after tax of £2,973,972 (2020: profit of £973,960). At the balance sheet date, it held net assets of £36,060,840 (2020: £33,086,868).

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides including COVID 19 on the operations and its financial resources the company will have sufficient funds to meet its liabilities as they fall due for that period.

The Directors have considered the future impact of COVID-19 on the cash flow forecasts and considered a reasonably possible downside case, which show, with cost cutting and strict cash management the company has positive cash flows over the forecast period and a positive cash balance throughout.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

DISABLED EMPLOYEES AND EMPLOYEE INVOLVEMENT

The company remains committed to fair treatment of people with disabilities in relation to job applications, training, promotion and career development. Every effort is made to find appropriate alternative jobs for those who are unable to continue in their existing job due to disability.

The company and DNV SE have well established and effective arrangements, through electronic mail, intranet and in-house publications, as well as videos and briefing meetings, at each business location, for communication and consultation with both employees and trade union representatives and for communication of the company's and Group's results and significant business issues.

ENGAGEMENT WITH EMPLOYEES

The group operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2004. During the year, the policy of providing employees with information about the group has been continued through the company's intranet in which employees have also been encouraged to present their suggestions and views on the group's performance. Regular meetings are held between local management and employee representatives via the Employee Communication and Consultation Forum to allow a free flow of information and ideas. Employees participate directly in the success of the business through the group profit share and bonus bank schemes. In addition employees are asked to share their thoughts on what it is like to work for DNV Group via regular colleague opinion surveys. The results of these surveys are considered by the board and show improvement in employee sentiment.

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS

The Board is committed to fostering the Company's business relationships with suppliers, customers and other stakeholders. The board considers stakeholders throughout the year and at every meeting through information provided by management and also by direct engagement with stakeholders.

GL Industrial Services UK Limited

Directors' Report
for the Year Ended 31 December 2021

STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENTS
The revised UK Governance code took full effect in 2019, with its emphasis in corporate purpose and stakeholders other than shareholders. The Board has continued to monitor these developments closely and fully supports effects to improve governance standards. Results of internal audits provided by group. Quarterly director forums and the AGM ensure standards are adhered to.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR
The auditor, KPMG LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

R T Stebbings - Director

22 June 2022

GL Industrial Services UK Limited

Statement of Directors' Responsibilities
for the Year Ended 31 December 2021

The directors are responsible for preparing 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), 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 judgements 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 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, and 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.

Opinion

We have audited the financial statements of GL Industrial Services UK Limited ("the Company") for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:
- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:
- Enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets for management.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet year-end milestones for reporting, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:
- the risk that management may be in a position to make inappropriate accounting entries;
- the risk of bias in accounting estimates and judgement such as pension assumptions; and
- the risk that revenue is overstated through recording revenues in the wrong period.

We also identified a fraud risk related to contract asset valuation in response to possible opportunities for manipulation as a subjective area.

We performed procedures including:
- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts, and those containing certain key words.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation, and pensions legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 11, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Matthew Green

Matthew RE Green (Senior Statutory Auditor)
for and on behalf of KPMG LLP
15 Canada Square
London
E14 5GL

22 June 2022

GL Industrial Services UK Limited

Statement of Comprehensive Income
for the Year Ended 31 December 2021

	Notes	2021 £	2020 £
TURNOVER	4	47,934,469	43,593,588
Cost of sales		(22,596,386)	(20,374,558)
GROSS PROFIT		25,338,083	23,219,030
Administrative expenses		(22,454,888)	(22,740,184)
		2,883,195	478,846
Other operating income	5	65,417	2,500
OPERATING PROFIT	7	2,948,612	481,346
Interest receivable and similar income	8	108,189	713,873
Interest payable and similar expenses	9	(34,496)	(49,305)
PROFIT BEFORE TAXATION		3,022,305	1,145,914
Tax on profit	10	(48,333)	(171,954)
PROFIT FOR THE FINANCIAL YEAR		2,973,972	973,960
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,973,972	973,960

The notes form part of these financial statements

GL Industrial Services UK Limited (Registered number: 03294136)

Statement of Financial Position
31 December 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	11	5,263,861	4,988,453
Investments	12	240,000	240,000
		5,503,861	5,228,453
CURRENT ASSETS			
Stocks	13	289,125	291,507
Debtors	14	14,631,268	17,989,442
Cash at bank		29,918,270	28,382,173
		44,838,663	46,663,122
CREDITORS			
Amounts falling due within one year	15	(12,665,580)	(17,066,007)
NET CURRENT ASSETS		32,173,083	29,597,115
TOTAL ASSETS LESS CURRENT LIABILITIES		37,676,944	34,825,568
PROVISIONS FOR LIABILITIES	18	(1,616,104)	(1,738,700)
NET ASSETS		36,060,840	33,086,868
CAPITAL AND RESERVES			
Called up share capital	19	21,000,000	21,000,000
Retained earnings		15,060,840	12,086,868
SHAREHOLDERS' FUNDS		36,060,840	33,086,868

The financial statements were approved by the Board of Directors and authorised for issue on 22 June 2022 and were signed on its behalf by:

R T Stebbings - Director

The notes form part of these financial statements

GL Industrial Services UK Limited

Statement of Changes in Equity
for the Year Ended 31 December 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2020	21,000,000	11,112,908	32,112,908
Changes in equity			
Total comprehensive income	-	973,960	973,960
Balance at 31 December 2020	21,000,000	12,086,868	33,086,868
Changes in equity			
Total comprehensive income	-	2,973,972	2,973,972
Balance at 31 December 2021	21,000,000	15,060,840	36,060,840

The notes form part of these financial statements

1. **STATUTORY INFORMATION**

GL Industrial Services UK Limited is a private company limited by shares incorporated in England. The Registered Office is Holywell Park, Ashby Road, Loughborough, Leicestershire, LE11 3GR.

2. **STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. **ACCOUNTING POLICIES**

Basis of preparing the financial statements
The financial statements have been prepared on the historical cost basis. The nature of operations and principal activity are set out in the Strategic Report.

The financial statements are prepared in Sterling (£) which is the functional currency of the company.
All amounts in the financial statements have been rounded to the nearest £.

Going concern
During the year, the company made a profit after tax of £2,973,972 (2020: profit of £973,960). At the balance sheet date, it held net assets of £36,060,840 (2020: £33,086,868).

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides including COVID 19 on the operations and its financial resources the company will have sufficient funds to meet its liabilities as they fall due for that period.

The Directors have considered the future impact of COVID-19 on the cash flow forecasts and considered a reasonably possible downside case, which show, with cost cutting and strict cash management the company has positive cash flows over the forecast period and a positive cash balance throughout.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the
financial statements and therefore have prepared the financial statements on a going concern basis.

3. **ACCOUNTING POLICIES - continued**

Financial reporting standard 102 - reduced disclosure exemptions

The Company's ultimate parent undertaking, Stiftelsen Det Norske Veritas includes the Company in its consolidated financial statements. The consolidated financial statements of Stiftelsen Det Norske Veritas are prepared in accordance with Norwegian Accounting Act § 3-9 and Regulations on Simplified IFRS as enacted by the Ministry of Finance 3 November 2014. In all material aspects, Norwegian Simplified IFRS requires that the IFRS recognition and measurement criteria (as adopted by the European Union) are complied with, but disclosure and presentation requirements (the notes) follow the Norwegian Accounting Act and Norwegian Generally Accepted Accounting Standards. These are available to the public and may be obtained from the address given in the final note of these accounts. These are considered to meet the requirements of S401 of the Companies Act and therefore the company is considered to be exempt from the requirement to prepare group accounts.

Additionally the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:
Cash flow Statement and related notes; and
Related party transactions

3. **ACCOUNTING POLICIES - continued**

Judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

a) Provision for dilapidations - judgment and estimation
The company provides for future liabilities arising from contractual obligations to return property held under operating leases to the specified condition contained within the lease agreement. Management judgement and estimation is required to determine the amount of dilapidations to be provided. These judgements and estimates may in the passage of time not be proved to be correct and may impact the recognition of costs.

b) Stage of completion revenue recognition and provision for losses on contracts -
judgement and estimation
Assessing the stage of completion of a long term contract requires judgement to be exercised based on a range of factors, including but not limited to, progress milestones achieved, costs incurred relative to total expected costs, and an assessment as to whether milestones and or costs are representative of progress. In addition estimates are made for the expected costs to be incurred. These judgements and estimates may in the passage of time not be proved to be correct and may impact the recognition of revenue, costs, profits, and provision for losses on contracts.

c) Taxation - judgement
The Group establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

3. **ACCOUNTING POLICIES - continued**

Tangible fixed assets
Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Leasehold improvements	- 15 years or over the duration of the lease if shorter
Fixtures, fittings & equipment	- 3 to 5 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Assets under construction represent some smaller items that have been built at our spadeadam test site to be used for clients testing.

Investments in subsidiaries
Investments in subsidiary undertaking is recognised at cost less impairment.
The carrying amounts of the Company's non-financial assets, other than investment property, stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Current and deferred taxation
The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

3. **ACCOUNTING POLICIES - continued**

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Revenue recognition
Revenue is based on the value to customers for goods sold and services performed, excluding value added tax. Long-term contracts are included in turnover on the basis of the sales value of work performed during the year by reference to the total contract value and stage of completion of these contracts. The amount by which turnover is in excess of payments on account is included in debtors as accrued income. Payments in excess of recorded turnover are included in creditors as deferred income. Provision is made in full for any expected losses on uncompleted contracts.

Licence revenue is recognised upon delivery of software products to a customer, when there are no significant obligations remaining and the collection of the resulting debtor is considered probable. In instances where a significant obligation exists, revenue recognition is delayed until the obligation has been satisfied.

Maintenance fees are recognised over the period of the maintenance contract on a straight line basis.

Fees for professional services, such as implementation, training and consultancy, are recognised when the services are performed.

Interest receivable
Interest receivable is recognised as interest accrues using the effective interest method.

Interest payable
Interest payable is also recognised as interest accrues using the effective interest method.

Cash and cash equivalents
Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Short-term debtors and creditors
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

4. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2021	2020
	£	£
United Kingdom	35,516,392	28,820,437
Europe	7,133,347	7,913,411
Asia and Africa	3,377,026	3,893,462
Americas	1,679,054	2,406,862
Rest of the World	228,650	559,416
	47,934,469	43,593,588

5. OTHER OPERATING INCOME

	2021	2020
	£	£
Gain on sale of fixed asset	1,417	-
Incentives received	-	2,500
Dilapidation reversed	64,000	-
	65,417	2,500

6. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	16,007,159	16,558,883
Social security costs	1,551,718	1,451,103
Other pension costs	1,344,565	1,358,556
	18,903,442	19,368,542

The average number of employees during the year was as follows:

	2021	2020
Technical	244	253
Sales and Admin	45	49
	289	302

6. **EMPLOYEES AND DIRECTORS - continued**

	2021	2020
	£	£
Directors Remuneration	194,372	191,282
Directors pension contributions to money purchase schemes	18,551	18,023

The number of directors to whom retirement benefits were accruing was as follows:	**2021**	**2020**
Money purchase schemes	3	3

The highest paid director in the year received aggregate remuneration of £76,741 (2020: £109,303) and £6,044 (2020: £11,129) for company contributions to money purchase pension plan.

The directors have received aggregate remuneration of £194,372 (2020 : £191,282) for qualifying services , and £18,551 (2020 : £18,023) for company contributions to money purchase pension plan. The costs for some of these services were directly borne by fellow group companies, and no recharge been made in respect of their services to the Company.

In addition to the sums detailled above ,they received aggregate remuneration of £21,091 (2020 : £14,019) for qualifying services and £2,239 (2020: £1,382) for company contributions to money purchase pension plan in relation to subsidiaries of this company in which they are also a director.

Key Management Staff

All directors who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel.

7. OPERATING PROFIT

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

	2021	**2020**
	£	£
Depreciation - owned assets	684,102	759,408
Foreign exchange differences	94,380	23,880
Cost of stocks recognised as expense	487,905	431,957
Operating Lease rental - land & buildings	961,955	960,074
Operating lease rentals - machinery & equipment	236,587	222,978
Auditor's remuneration	109,000	98,852

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	£	£
Deposit account interest	108,189	55,715
Interest Receivable from group	-	658,158
	108,189	713,873

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Intercompany Interest	34,496	49,305

10. TAXATION

Analysis of the tax charge
The tax charge on the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	14,002	126,268
Adjustment in respect of prior periods	-	42,012
Total current tax	14,002	168,280
Deferred tax:		
Origination & Reversal of timing differences	206,454	151,865
Adjustments in respect of prior periods	(2,498)	955
Effect of tax rate change	(169,625)	(149,146)
Total deferred tax	34,331	3,674
Tax on profit	48,333	171,954

UK corporation tax has been charged at 19%.

10. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2021	2020
	£	£
Profit before tax	3,022,305	1,145,914
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	574,238	217,724
Effects of:		
Expenses not deductible for tax purposes	30,420	11,277
Adjustments to tax charge in respect of previous periods	(2,498)	42,967
Fixed Asset differences	53,716	57,392
R&D expenditure credits	(96,314)	(129,363)
Deferred Tax not recognised	(390,664)	168,702
Remeasurement of deferred tax for changes in tax rates	(120,565)	(196,745)
Group relief claimed	-	(126,268)
Payment for group relief	-	126,268
Total tax charge	48,333	171,954

10. TAXATION - continued

Factors affecting future tax charge

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Deferred tax

The movement in the deferred tax account in the year was:	£
At 1 January 2021	(1,265,022)
Deferred tax charge in the profit and loss account	34,331
At 31 December 2021	(1,230,691)

	2021	2020
	£	£
The deferred tax in the balance sheet is as follows:		
Accelerated capital allowances	(621,475)	(659,670)
Short-term timing differences	(17,965)	(54,352)
Trade Losses	(591,251)	(551,000)
Deferred tax asset	(1,230,691)	(1,265,022)

11. TANGIBLE FIXED ASSETS

	Short leasehold improvements £	Assets under construction £	Fixtures and fittings £	Totals £
COST				
At 1 January 2021	4,260,069	177,283	6,740,566	11,177,918
Additions	6,985	800,808	155,987	963,780
Disposals	-	(4,270)	(9,250)	(13,520)
Transfer	-	(65,841)	65,841	-
As at 31 December 2021	4,267,054	907,980	6,953,144	12,128,178
DEPRECIATION				
As at 1 January 2021	1,173,011	-	5,016,454	6,189,465
Charge for the year	292,708	-	391,394	684,102
Disposals	-	-	(9,250)	(9,250)
As at 31 December 2021	1,465,719	-	5,398,598	6,864,317
NET BOOK VALUE				
As at 31 December 2021	2,801,335	907,980	1,554,546	5,263,861
As at 31 December 2020	3,087,058	177,283	1,724,112	4,988,453

12. FIXED ASSET INVESTMENTS

	2021	2020
COST	£	£
At 1 January & 31 December	240,000	240,000
IMPAIRMENT		
During the year	-	-
At 31 December	-	-
Net Book Value		
At 31 December	240,000	240,000

The company's investments at the Statement of Financial Position dates in the share capital of companies including the following:

Advantica Intellectual Property Limited
Registered office: Holywell Park, Ashby Road , Loughborough, LE11 3GR
Nature of business: Holding Corporate trademarks and patents

	%
Class of shares	holding
Ordinary Current year	100.00
Ordinary Prior year	100.00

13. STOCKS

	2021	2020
	£	£
Stocks	289,125	291,507

14. DEBTORS

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	6,644,231	6,006,904
Amounts owed by group undertakings	1,541,680	5,109,784
Amounts recoverable on contract	4,114,649	4,299,885
Other debtors	1,100,017	1,307,847
Deferred tax	263,285	-
	13,663,862	16,724,420

14. DEBTORS - continued

	2021	2020
	£	£
Amounts falling due after more than one year:		
Deferred tax	967,406	1,265,022
Aggregate amounts	14,631,268	17,989,442

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	712,051	1,011,095
Amounts owed to group undertakings	2,180,800	5,954,088
Corporation tax payable	14,002	-
Social security and other taxes	1,619,092	1,609,242
Other creditors	8,990	914
Accruals and deferred income	8,130,645	8,490,668
	12,665,580	17,066,007

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	932,132	1,146,514
Between one and five years	516,735	1,059,875
	1,448,867	2,206,389

Lease payments recognised as an expense:

	2021	**2020**
	£	£
Property Rental	965,855	960,074
Car Lease	318,061	257,448
Total	1,283,916	1,217,522

17. FINANCIAL INSTRUMENTS

	2021 £	2020 £
Financial assets measured at amortised cost:		
Cash	29,918,270	28,382,173
Debtors	9,285,929	6,006,904
	39,204,199	34,389,077
Financial liabilities measured at amortised cost:		
Creditors	(2,901,841)	(6,963,291)
	36,302,358	27,425,786

18. PROVISIONS FOR LIABILITIES

	Dilapidations £	**Onerous Contract £**	**Total £**
As at 1 January 2021	1,680,104	58,596	1,738,700
Arising during the year	-	-	-
Utilised	64,000	58,596	122,596
As at 31 December 2021	1,616,104	-	1,616,104

Dilapidations provision
A provision has been recognised for dilapidations on leased properties where the company has a legal obligation to return the properties at the end of the lease to their original condition. The current lease term expires in 2034 and a payment of £1,616,104 is expected at that time.

Provision for onerous contracts
A provision has been recognised against fee earning contracts as the aggregate cost required to
fulfil the agreement is higher than the economic benefit to be obtained from it.

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
21,000,000	Ordinary Shares	£1	21,000,000	21,000,000

19. CALLED UP SHARE CAPITAL - continued

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

20. PENSION COMMITMENTS

The company operates a defined contribution pension plan, the GL Industrial Services UK Defined Contribution Pension Scheme (formerly Advantica UK Defined Contribution Pension Scheme), whereby it contributes to the personal pension plans of certain individual employees up to 8.25% of the gross salary of the individuals. There were no amounts outstanding or prepaid in respect of pension costs at year end.

21. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

The company has not made any disclosures of transactions with related parties in accordance with the exemption afforded by FRS102 Section 33.

22. POST BALANCE SHEET EVENTS

On 28 February 2022, the Inspection business unit of GL Industrial Services UK Limited was transferred to DNV Inspection UK Limited, a fellow group company registered in England, for consideration of £2,319,300.00

23. ULTIMATE CONTROLLING PARTY

The Company is a subsidiary undertaking of Germanischer Lloyd Industrial Services Holdings (UK) Limited, incorporated in the United Kingdom (registered office address: 1Holywell Park, Ashby Road, Loughborough, LE11 3GR).

The ultimate owner is Stiftelsen Det Norske Veritas incorporated in Norway (registered address: 1, Veritasveien, Høvik, 1363, Norway) who are the most senior parent entity producing publicly available financial statements. The financial statements are published online at www.detnorskeveritas.com.

The most Junior parent entity producing publicly available consolidated financial statements is DNV Group AS. The financial statements are available upon request from DNV (Corporate Communications), 1322 Høvik, Norway and published online at https://annualreport.dnv.com/.