

**HIRERIGHT LTD**

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

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**HIRERIGHT LTD**

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**HIRERIGHT LTD**

**COMPANY INFORMATION**

<b>Directors</b>	Stephen Girdler Thomas Spaeth
<b>Registered number</b>	04036193
<b>Registered office</b>	15 Westferry Circus Canary Wharf, London E14 4HD United Kingdom
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH United Kingdom

**HIRERIGHT LTD**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their Strategic Report of Hireright Ltd (the "Company") for the year ended 31 December 2020.

**Introduction**

The Company is a wholly owned subsidiary of Hireright UK Holding Limited. The Company is ultimately owned by HireRight GIS Group Holdings LLC (the "Parent Company") and the majority shareholders of the Parent Company are investment funds managed by General Atlantic LLC and Stone Point Capital LLC.

**Financial key performance indicators**

The results of the Company for the year are set out in detail in the Statement of Comprehensive Income and Balance Sheet on pages 12 and 13.

Turnover from operations for year ended 31 December 2020 was £24,434,030 (year ended 31 December 2019: £28,766,023).

Global pandemic (COVID-19) had an impact on the Company's turnover, however the Company continued its expansion in the Asia and Pacific region. Total revenue for year 2020 decreased by 15% comparing to 2019. In first quarter of 2020 total revenue decreased by approximately 10% comparing to the first quarter of 2019 and in the period April to June 2020 and July to September 2020 total revenues decreased by 43% and 22% respectively comparing to the corresponding periods in 2019. In last quarter of 2020 total revenue had recovered and increased by 20% comparing to the last quarter of 2019. Management perceives the Company's improvement of performance as expected and anticipates full recover in the second half of 2021 in terms of previous levels of customer demand within the next 12-months.

The gross profit margin for year ended 31 December 2020 was 42% (year ended 31 December 2019: 39%).

The profit before taxation for year ended 31 December 2020 was £608,152 (year ended 31 December 2019: £886,331).

The Company continues to evolve with the market conditions to ensure that growth and investment in the business balanced.

**Principal risks and uncertainties**

The principal business risks are confidence in and health of the global economy. Our business is to partner with and support our clients, as such we are dependent upon regional, sector and economic factors. The Company aims to mitigate risk by diversifying services into as many market sectors as economically possible.

## **HIRERIGHT LTD**

### **STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2020**

##### **Section 172 (1) statement**

Directors of the Company are required to act in a way that they consider, in good faith, to be most likely to promote the success of the Company for the benefit of its members as a whole, and in so doing have regard, among other matters to:

- the likely consequences of any decision in the long term;
- 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 the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

The following paragraphs summarise how the Directors' fulfil their duties:

##### **Customers**

The Company operates within the increasingly wide variety of organizations that exist in today's global business environment. By offering high quality service Company is aiming to become the world's most respected, most accurate, most accessible background screening and workforce solutions partner. In 2020 we put a lot of effort to own our data and increase data accuracy, quality, and speed, by investing in reporting and data management, automate our process and focus on process improvement. In 2020 the Company was continuously increasing its presence on a global market. In 2020 we launched a new HireRight brand to strengthen its position on global market– which was the culmination of a lot of hard work and collaboration from Team Members across the organization and the globe.

##### **Employees**

Team Members are the core of our organisation. During 2020, the management continued 'Town Hall' meeting sessions with all the employees, where management presented current position of the Company and forecast. Employees were encouraged to ask questions about the business, its strategy, performance, current initiatives. These sessions provide directors with the opportunity to gather feedback from employees. Additionally, once a year the Company launches 'Organizational Health Survey' to all Team Members, globally. This survey covers topics like company direction, leadership, performance management, operational effectiveness, communication, culture, and more. This is an opportunity to share employees' feelings and detailed feedback and allows management to collect expressive data around the current health of the organization.

##### **Culture and values**

As a Company we solicited the input of over 1,000 HireRight global Team Members about what matters most when providing and receiving high quality customer service, and building strong teams. Culture teams and marketing worked with the results to hone in on the characteristics that enable HireRight to stand out among its competition, meet and exceed customer expectations, and cultivate a solid global work environment. Our CORE4 Values (Service-First Mindset, Grounded in Respect, Collaborative Spirit, Sense of Ownership) keep us firmly rooted, while giving us the freedom to grow and thrive as a company, and individually.

**HIRERIGHT LTD**


**STRATEGIC REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Community and environment**

HireRight is committed to a sustainable, environmentally conscious and socially responsible future. We specialized in helping organizations efficiently implement, manage and control their screening programs. By offering web-based background screening solutions we are constantly reducing the use of paper in our internal departments and have helped our customers reduce their paper use. Through innovation and technology, we have designed our systems to help automate a very paper-heavy industry. Every day we strive to reduce our carbon footprint. HireRight understands also the importance of giving back to our communities. Our employees are encouraged and given time off work to participate in charitable volunteer work.

This report was approved by the board and signed on its behalf by:

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**Stephen Girdler**

*Director*

*Date: 28 September 2021*

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

The directors present their annual report and the audited financial statements of HireRight Ltd (the "Company") for the year ended 31 December 2020.

**Principal activities**

The principal activity of the Company continued to be that of providing background and pre-employment screening and investigation services.

The Company is ultimately owned by HireRight GIS Group Holdings LLC (the "Parent Company") and the majority shareholders of the Parent Company are investment funds managed by General Atlantic LLC and Stone Point Capital LLC.

**Results and dividends**

The profit for the year ended 31 December 2020 amounted to £493,360 (year ended 31 December 2019: £761,105).

No dividends were paid in 2020 (2019: £Nil). The directors do not recommend nor propose payment of any final dividend for the year ended 31 December 2020 (2019: £Nil).

Comparatives are presented for the 12 month year ended 31 December 2019.

**Future development**

In 2021 the Company is planning to continue its expansion and increase its global market share by strengthening its position in EMEA markets and APAC regions.

**Directors**

The directors who served during the 12 month period and up to the date of signing the financial statements were:

Stephen Girdler  
Thomas Spaeth

**Qualifying third party indemnity provisions**

During the financial year and up to the date of signing the financial statements, the Company maintained liability insurance for its directors and officers, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. The provision was held by Corporate Risk Holdings, LLC up until 11 July 2018 and HireRight GIS Group Holdings LLC effective from 12 July 2018.

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

**Financial risk management**

*Cash flow risk*

The Company manages its cash resources by considering the forecast timing of cash flows from customer receipts and forecast cash flows from the payment of payroll costs, administrative expenses, bank interest and other liabilities, together with the timing of the repayments relating to intercompany loans and balances. The timing of cash receipts and payments is reviewed on a monthly basis and any anticipated changes are considered in the light of future working capital requirements and the availability of cash and group borrowing facilities.

*Credit risk*

The Company's principal financial assets are investments, bank balances and trade and other debtors. The credit risk on trade debtor balances is mitigated by the Company's credit control facilities.

*Liquidity risk*

The Company manages liquidity risk by reviewing the future net cash requirements of the business, by holding cash balances to fund short term requirements.

*Interest rate risk*

The Company remains cash positive and a funding source for the rest of the group, so interest rate risk is considered to be low.

*Price risk*

The Company manages price risk by entering into contracts with specific pricing terms.

**Going Concern**

The Company finances its operations through cash, intercompany loans and intercompany balances.

As at 31 December 2020 the Company had cash balances of £978,017 (as at 31 December 2019: £1,526,383), amounts due to fellow Group companies of £1,297,928 (31 December 2019: £212,799) and amounts due to subsidiaries of £3,016,680 (31 December 2019: £2,551,271). At 31 December 2020 there were amounts owed by Group undertakings of £12,453,478 (as at 31 December 2019: £9,968,144) out of which an intercompany loan to Hireright Canada amounted to £1,846,892 (as at 31 December 2019: £1,774,220).

There are no formal repayment terms for the intercompany loans and intercompany balances. The directors have obtained confirmation from the operative corporate ultimate parent HireRight GIS Group Holdings LLC (the "Parent"), that the intercompany receivables will be settled by HireRight LLC, if required, in order to allow the Company to meet their liabilities as they fall due.

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

**Going Concern (continued)**

HireRight GIS Group Holdings LLC (the "Parent"), the ultimate holding company has confirmed that it has a clear understanding of the strategy and business plan of the Company, including the Company's projected funding requirements for at least the next 12 months from the date of financial statements.

The Parent will provide financial support to the Company such that the Company is able to operate as a going concern and to settle its liabilities as they fall due. This financial support will include:

- not seeking the repayment of amounts advanced to the Company by the Parent and/or other members of the Parent group unless adequate alternative financing has been secured by the Company; and
- advancing further amounts to the Company as required by the Company.

In providing this assurance, the Parent has taken full account of its own funding requirements, obligations and commitments for the same period as this letter covers. Further, the Parent has undertaken that this will remain in place for the foreseeable future and will not be withdrawn during a period of 12 months from the date of financial statements.

The directors have reviewed the going concern status of the Company by considering the cash and intercompany borrowing position of the Company at 31 December 2020, the anticipated level of trading activity and the continued availability of funding from Group companies taking into account the impact of COVID-19 on the business and the wider group in 2021 and its anticipated continued impact. Based on this review the directors have concluded that the going concern basis should be used in the preparation of the financial statements.

**Impact of Coronavirus Disease ("COVID-19")**

The existence of novel coronavirus (COVID-19) was confirmed in early 2020 and by now it has spread across the world, including Great Britain, causing disruptions to businesses and economic activities, also with an impact on HireRight Ltd as demand from our customers is impacted by the global response to the pandemic. The pandemic has had limited operational impact on the Company as all personnel have been able to work from home where required.

Total revenue for year 2020 decreased by 15% comparing to 2019. In first quarter of 2020 total revenue decreased by approximately 10% comparing to the first quarter of 2019 and in the period April to June 2020 and July to September 2020 total revenues decreased by 43% and 22% respectively comparing to the corresponding periods in 2019. In last quarter of 2020 total revenue had recovered and increased by 20% comparing to the last quarter of 2019. Management perceives the Company's improvement of performance as expected and anticipates full recover in the second half of 2021 in terms of previous levels of customer demand within the next 12- months.

However, as the situation is uncertain and rapidly evolving, we do not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak on the Company and management will continue to monitor the coronavirus crisis impact on the performance of the Company. At the present time, taking into account the availability of financial support from the group, management considers the Company's position to be stable.

**HIRERIGHT LTD**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

**Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

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

**HIRERIGHT LTD**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Disclosure of information to auditors**

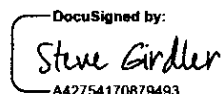
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- 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 ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Independent auditors**

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf by:

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**Stephen Girdler**

*Director*

*Date: 28 September 2021*

# Independent auditors' report to the members of Hireright Ltd

## Report on the audit of the financial statements

### Opinion

In our opinion, Hireright Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Financial Statements and Annual Report (the "Annual Report"), which comprise: the balance sheet as at 31 December 2020; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

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

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

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

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

## **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion on, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Strategic report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

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

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

### **Auditors' responsibilities for the audit of the financial statements**

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to taxation legislation relevant to the company's operations and data protection regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results. Audit procedures performed by the engagement team included:

- discussions with management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- testing journals using a risk-based approach and evaluating the business rationale of significant transactions; and
- reviewing minutes of meetings of those charged with governance.

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

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

#### Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Mark Allsop (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

28 September 2021

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

(All amounts are stated in GBP)

	<u>Note</u>	<u>01.01.2020 - 31.12.2020</u>	<u>01.01.2019 - 31.12.2019</u>
Turnover	4	24,434,030	28,766,023
Cost of sales		(14,115,212)	(17,482,614)
<b>Gross profit</b>		<b>10,318,818</b>	<b>11,283,409</b>
Administrative expenses		(10,242,226)	(10,874,829)
Other operating income		398,772	342,987
<b>Operating profit</b>	5	<b>475,364</b>	<b>751,567</b>
Interest receivable and similar income	9	144,683	134,764
Interest payable and similar expense		(11,895)	-
<b>Profit before taxation</b>		<b>608,152</b>	<b>886,331</b>
Tax on profit	10	(114,792)	(125,226)
<b>Profit for the financial year</b>		<b>493,360</b>	<b>761,105</b>
<b>Total comprehensive income for the financial year</b>		<b>493,360</b>	<b>761,105</b>

The statement of comprehensive income should be analysed together with the notes to the financial statements on pages 15 to 30 which are an integral part of the financial statements.


**HIRERIGHT LTD**  
**REGISTERED NUMBER: 04036193**

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

(All amounts are stated in GBP)

	<u>Note</u>	<u>31 December 2020</u>	<u>31 December 2019</u>
<b>Fixed assets</b>			
Tangible assets	11	1,287,998	1,126,411
Investments	12	37,524	37,524
		<u>1,325,522</u>	<u>1,163,935</u>
<b>Current assets</b>			
Debtors	13	17,501,926	16,664,313
Cash at bank and in hand	14	978,017	1,526,383
		<u>18,479,943</u>	<u>18,190,696</u>
Creditors: amounts falling due within one year	15	(8,360,197)	(8,402,723)
<b>Net current assets</b>		10,119,746	9,787,973
<b>Total assets less current liabilities</b>		<u>11,445,268</u>	<u>10,951,908</u>
<b>Capital and reserves</b>			
Called up share capital	17	682	2
Retained earnings		11,444,586	10,951,906
<b>Total shareholders' funds</b>		<u>11,445,268</u>	<u>10,951,908</u>

The financial statements on pages 12 to 30 were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:  
  
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**Stephen Girdler**  
Director

*Date: 28 September 2021*

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

(All amounts are stated in GBP)

	Called up share capital	Retained earnings	Total shareholders' funds
<b>Balance at 1 January 2019</b>	2	10,190,801	10,190,803
<b>Comprehensive income for the financial year</b>			
Profit for the year	-	761,105	761,105
<b>Total comprehensive income for the financial year</b>	-	761,105	761,105
<b>Balance at 31 December 2019 and 1 January 2020</b>	2	10,951,906	10,951,908
<b>Comprehensive income for the financial year</b>			
Profit for the year	-	493,360	493,360
<b>Total comprehensive income for the financial year</b>	-	493,360	493,360
Additional ordinary shares	680	(680)	-
<b>Balance at 31 December 2020</b>	682	11,444,586	11,445,268

The statement of changes in equity should be analysed together with the notes to the financial statements on pages 15 to 30 which are an integral part of the financial statements.

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

**1. General information on the Company**

HireRight Ltd, ("the Company") is a private company limited by shares incorporated in England and Wales.

The registered office is 15 Westferry Circus, Canary Wharf, London E14 4HD, United Kingdom.

The principal activity of the Company continued to be that of providing background and pre-employment screening and investigation services.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

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

The following principal accounting policies have been applied consistently throughout the current and prior year.

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

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

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

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

**2. 2 Financial reporting standard 102 - reduced disclosure exemptions (continued)**

This information is included in the consolidated financial statements of Hireright UK Holdings Limited as at 31 December 2020 and these financial statements may be obtained from 15 Westferry Circus, Canary Wharf, London E14 4HD, United Kingdom.

As the financial statements of Hireright UK Holding Limited are publicly available the Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated financial statements.

**2. 3 Going concern**

As at 31 December 2020 the Company had cash balances of £978,017 (as at 31 December 2019: £1,526,383), amounts due to fellow Group companies of £1,297,928 (31 December 2019: £212,799) and amounts due to subsidiaries of £3,016,680 (31 December 2019: £2,551,271). At 31 December 2020 there were amounts owed by Group undertakings of £12,453,478 (as at 31 December 2019: £9,968,144) out of which an intercompany loan to Hireright Canada amounted to £1,846,892 (as at 31 December 2019: £1,774,220).

There are no formal repayment terms for the intercompany loans and intercompany balances. The directors have obtained confirmation from the operative corporate ultimate parent HireRight GIS Group Holdings LLC (the "Parent"), that the intercompany receivables will be settled by HireRight LLC, if required, in order to allow the Company to meet their liabilities as they fall due.

HireRight GIS Group Holdings LLC (the "Parent"), the ultimate holding company has confirmed that it has a clear understanding of the strategy and business plan of the Company, including the Company's projected funding requirements for at least the next 12 months from the date of financial statements.

The Parent will provide financial support to the Company such that the Company is able to operate as a going concern and to settle its liabilities as they fall due. This financial support will include:

- not seeking the repayment of amounts advanced to the Company by the Parent and/or other members of the Parent group unless adequate alternative financing has been secured by the Company; and
- advancing further amounts to the Company as required by the Company.

The directors have reviewed the going concern status of the Company by considering the cash and intercompany borrowing position of the Company at 31 December 2020, the anticipated level of trading activity and the continued availability of funding from Group companies taking into account the impact of COVID-19 on the business and the wider group in 2021 and beyond, for at least 12 months from the date of signing of accounts and its anticipated continued impact. Based on this review the directors have concluded that the going concern basis should be used in the preparation of the financial statements.

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**2. 3 Going concern (continued)**

The existence of novel coronavirus (COVID-19) has been causing disruptions to businesses and economic activities since its outbreak in early 2020. An impact on HireRight Ltd as demand from our customers is impacted by the global response to the pandemic. The pandemic has had however limited operational impact on the Company as all personnel have been able to work from home where required.

Management perceives the Company's improvement of performance as expected and anticipates full recover in the second half of 2021 in terms of previous levels of customer demand within the next 12- months.

However, as the situation is uncertain and rapidly evolving, we do not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak on the Company and management will continue to monitor the coronavirus crisis impact on the performance of the Company. At the present time, taking into account the availability of financial support from the group, management considers the Company's position to be stable.

**2. 4 Turnover**

Turnover represents amounts receivable for services net of VAT and trade discounts. Turnover is recognised on an invoicing basis once background screening is completed and results have been shared with customers. Company's principal activities are described in Note 1.

**2. 5 Tangible assets**

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

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

Leasehold land and buildings	3 years straight line
Fixtures, fittings and equipment	5 years straight
Computer equipment	3 years straight line

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

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

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

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**2. 6 Impairment of fixed assets**

At each reporting period end date, the Company reviews the carrying amount of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**2. 7 Investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2. 8 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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**2. 9 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

The Entity is applying section 11 and 12 of FRS 102 for the recognition and measurement of financial instruments.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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**2. 10 Equity instruments**

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

**2. 11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2. 12 Retirement benefits**

The Company operates a defined contribution Group Personal Pension Scheme. The assets of this scheme are held separately from those of the Company in an independently administered fund. For defined contribution schemes the amounts charged to the Statement of Comprehensive Income in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either creditors or debtors in the Balance Sheet.

**2. 13 Foreign exchange**

Transactions in foreign currencies are recorded in pounds sterling at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are reported at the rate of exchange prevailing at year end. All exchange differences are included in the Statement of Comprehensive Income.

**2. 14 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2. 15 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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**2. 16 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

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

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

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

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

**2. 17 Interest payable and similar expenses**

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

**2. 18 Operating leases: the Company as lessee**

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

**2. 19 Interest receivable and similar income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

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**2. 20 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**2. 21 Current and deferred taxation**

The tax expense for the 12 month period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

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

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

In the application of the Company's accounting policies, the directors are required to make judgements estimate and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The directors do not consider there to be any critical accounting judgements, estimates or assumptions made in the preparation of these financial statements.

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**4. Turnover**

The whole of the turnover is attributable to the principal activities of the Company.

Analysis of turnover by country of destination:

	<b>01.01.2020 - 31.12.2020</b>	<b>01.01.2019 - 31.12.2019</b>
United Kingdom	13,004,282	18,466,627
Rest of Europe	4,086,990	2,942,994
Rest of the World	7,342,758	7,356,402
	<u>24,434,030</u>	<u>28,766,023</u>

**5. Operating profit**

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

	<b>01.01.2020 - 31.12.2020</b>	<b>01.01.2019 - 31.12.2019</b>
Depreciation of tangible assets (note 11)	728,141	739,078
Realised and unrealised exchange gain/losses	(339,207)	(311,218)
	<u>388,934</u>	<u>427,860</u>

**6. Auditors' remuneration**

	<b>01.01.2020 - 31.12.2020</b>	<b>01.01.2019 - 31.12.2019</b>
Fees payable to the Company's auditors' for the audit of the Company's annual financial statements	37,930	37,410

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**7. Employees**

	<b>01.01.2020 - 31.12.2020</b>	<b>01.01.2019 - 31.12.2019</b>
Wages and salaries	6,089,765	5,553,723
Social security costs	755,910	697,189
Other pension costs	245,508	223,220
	<u>7,091,183</u>	<u>6,474,132</u>

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

	<b>01.01.2020 - 31.12.2020</b>	<b>01.01.2019 - 31.12.2019</b>
	<b>Number</b>	<b>Number</b>
Operational	53	107
Administration	112	93
	<u>165</u>	<u>200</u>

**8. Directors' remuneration**

	<b>01.01.2020 - 31.12.2020</b>	<b>01.01.2019 - 31.12.2019</b>
Aggregate directors' remuneration	238,280	208,125
Company contributions to defined contribution pension schemes	15,360	23,125
	<u>253,640</u>	<u>231,250</u>

The highest paid director received remuneration of £238,280 (2019: £208,125).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £15,360 (2019: £23,125).

**9. Interest receivable and similar income**

	<b>01.01.2020 - 31.12.2020</b>	<b>01.01.2019 - 31.12.2019</b>
Other interest receivable	<u>144,683</u>	<u>134,764</u>

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**10. Tax on profit**

	<b>01.01.2020 - 31.12.2020</b>	<b>01.01.2019 - 31.12.2019</b>
<b>Corporation tax</b>		
Current tax on profits for the financial year	164,041	46,659
Adjustments in respect of previous periods	-	25,866
Foreign tax relief/other relief	(7,096)	-
Foreign tax suffered	7,206	-
<b>Total current tax</b>	<b>164,151</b>	<b>72,525</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(48,628)	130,935
Effects of changes in tax rates	(731)	(13,783)
Adjustments in respect of previous periods	-	(64,451)
<b>Total deferred tax</b>	<b>(49,359)</b>	<b>52,701</b>
<b>Total tax charge for the financial year</b>	<b>114,792</b>	<b>125,226</b>

**Factors affecting tax charge for the year**

On 3 March 2021 the UK government announced its intention to increase the main rate of corporation tax to 25% from 1 April 2023. This rate was substantively enacted in May 2021, ie after the balance sheet date and the deferred tax asset (DTA) has therefore been calculated according to the 19% substantively enacted rate at 31 December 2020. The expected maximum impact of this rate change (were the 25% rate to be adopted as of 31 December 2020 on all assets) would be to increase the DTA by £17,553

	<b>01.01.2020 - 31.12.2020</b>	<b>01.01.2019 - 31.12.2019</b>
Profit before taxation	608,152	886,331
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2019: 19.0%)	115,549	168,403
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	56,079	15,228
Non-taxable income	(35,833)	(6,037)
Effects of overseas tax rates	110	-
Adjustments in respect of previous periods	-	(38,585)
Deferred tax not recognised	2,422	-
Effects of changes in tax rates	(733)	(13,783)
Group relief	(22,802)	-
<b>Total tax charge for the year</b>	<b>114,792</b>	<b>125,226</b>

**Factors that may affect future tax charges**

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2020. Deferred taxes at the Balance Sheet date have been measured using this enacted tax rate and reflected in these financial statements.

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**11. Tangible assets**

	<b>Land and buildings leasehold</b>	<b>Fixtures, fittings and equipment</b>	<b>Computer equipment</b>	<b>Construrction in progress</b>	<b>Total</b>
<b>Gross book value</b>					
As at 01.01.2019	6,230	33,077	2,807,278	-	2,846,585
Additions	-	-	749,865	-	749,865
Disposals	-	-	(10,133)	-	(10,133)
As at 31.12.2019	6,230	33,077	3,547,010	-	3,586,317

**Accumulated depreciation**

As at 01.01.2019	(6,230)	(20,164)	(1,704,567)	-	(1,730,961)
Additions	-	(5,273)	(733,805)	-	(739,078)
Disposals	-	-	10,133	-	10,133
As at 31.12.2019	(6,230)	(25,437)	(2,428,239)	-	(2,459,906)

**Net book value**

As at 01.01.2019	-	12,913	1,102,711	-	1,115,624
As at 31.12.2019	-	7,640	1,118,771	-	1,126,411

**Gross book value**

As at 01.01.2020	6,230	33,077	3,547,010	-	3,586,317
Additions	41,017	-	76,553	772,158	889,728
Transfer from fixed assets under construction	356,884	172,083	111,300	(640,267)	-
Disposals	(6,231)	(20,140)	-	-	(26,371)
As at 31.12.2020	397,900	185,020	3,734,863	131,891	4,449,674

**Accumulated depreciation**

As at 01.01.2020	(6,230)	(25,437)	(2,428,239)	-	(2,459,906)
Additions	(42,946)	(19,063)	(666,132)	-	(728,141)
Disposals	6,231	20,140	-	-	26,371
As at 31.12.2020	(42,945)	(24,360)	(3,094,371)	-	(3,161,676)

**Net book value**

As at 01.01.2020	-	7,640	1,118,771	-	1,126,411
As at 31.12.2020	354,955	160,660	640,492	131,891	1,287,998

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**12. Investments**

	<b>Investment in subsidiary companies</b>
<b>Cost</b>	
As at 1 January 2019 and 31 December 2019	37,524
As at 1 January 2020 and 31 December 2020	37,524

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Nature of Business</b>	<b>Class of shares</b>	<b>Holding</b>
Hireright Poland Sp. z.o.o.	Uniwersytecka 18, 40-007 Katowice, Poland	Employee screening services	102 ordinary shares of 500 Polish Zloty each	100%

Hireright Poland Sp. z.o.o generated a profit of £128,165 (15 moth period ended 31 December 2019: £298,440).

**13. Debtors**

	<b>31 December 2020</b>	<b>31 December 2019</b>
Trade debtors	4,376,793	6,058,911
Amounts owed by group undertakings	12,453,478	9,968,144
Corporation tax	-	87,991
Other debtors	354,510	284,771
Deferred taxation (note 16)	55,584	6,225
Prepayments and accrued income	261,561	258,271
	<u>17,501,926</u>	<u>16,664,313</u>

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

	<b>31 December 2020</b>	<b>31 December 2019</b>
Cash at bank	<u>978,017</u>	<u>1,526,383</u>

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**15. Creditors: amounts falling due within one year**

	<b>31 December 2020</b>	<b>31 December 2019</b>
Trade creditors	883,743	279,516
Amounts owed to group undertakings	4,314,608	5,627,699
Corporation tax	68,954	-
Other taxation and social security	1,022,211	936,906
Other creditors	609,121	177,000
Accruals and deferred income	1,461,560	1,381,602
	<b>8,360,197</b>	<b>8,402,723</b>

**16. Deferred taxation**

	<b>31 December 2020</b>	<b>31 December 2019</b>
At the beginning of financial year	6,225	58,926
Charged to profit or loss	49,359	(117,152)
Adjustment in respect of prior year	-	64,451
<b>At end of financial year</b>	<b>55,584</b>	<b>6,225</b>

The deferred tax asset is made up as follows:

	<b>31 December 2020</b>	<b>31 December 2019</b>
Decelerated/(accelerated) capital allowances	16,821	(7,596)
Other timing differences - losses	38,763	13,821
	<b>55,584</b>	<b>6,225</b>

**17. Called up share capital**

	<b>31 December 2020</b>	<b>31 December 2019</b>
<b>Allotted, called up and fully paid</b>		
At 1 January: Ordinary Share shares of £1.00 (2019: £1.00) each	2	2
Additional ordinary Share shares of £1.00 each	680	-
<b>At 31 December: Ordinary Share shares of £1.00 (2019: £1.00) each</b>	<b>682</b>	<b>2</b>

Issue of 680 Ordinary shares for a nominal value of £1.00 each paid from retained earnings. This share issue was not previously recorded in the financial statements for periods up to 31 December 2019 and has been recorded in the current year. Prior year comparative information has not been restated.

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**18. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £245,508 (year ended 31 December 2019: £223,220).

**19. Commitments under operating leases**

At 31 December 2020 and at 31 December 2019, the Company had future minimum lease payments under non-cancellable operating leases as follows:

	<b>31 December 2020</b>	<b>31 December 2019</b>
Not later than 1 year	122,793	15,175
Later than 1 year and not later than 5 years	2,087,485	2,087,481
More than 5 years	-	122,793
	<u><u>2,210,278</u></u>	<u><u>2,225,449</u></u>

On 24 December 2019, the Company entered into new office lease agreement and in 2020 changed its registered office address from Gun Court 70, Wapping Lane, London E1W 2RD to 15 Westferry Circus, Canary Wharf, London E14 4HD. The Company was granted a rent free period till October 2021. Comparative figures have been updated to reflect the consistent presentation and disclosures with no impact to the rest of the financial statements.

**20. Related party transactions**

The Company has taken advantage of an available FRS 102 exemption from the requirement to disclose related party transactions with other wholly-owned undertakings within the HireRight GIS Group Holdings LLC.

There are no related party transactions with key management personnel, entities that have joint control or significant influence over the entity, or other related parties.

**21. Ultimate parent undertaking and controlling party**

The Company is a wholly owned subsidiary of Hireright UK Holding Limited. The Company is ultimately owned by HireRight GIS Group Holdings LLC (the "Parent Company") and the majority shareholders of the Parent Company are investment funds managed by General Atlantic LLC and Stone Point Capital LLC.

The smallest and largest groups in which results of the Company were consolidated were Hireright UK Holding Limited and HireRight GIS Group Holdings LLC, respectively. Copies of financial statements of Hireright UK Holding Limited may be obtained from 15 Westferry Circus, Canary Wharf, London, E14 4HD and of HireRight GIS Group Holdings LLC may be obtained from 600 Third Avenue New York, NY 10016 United States.