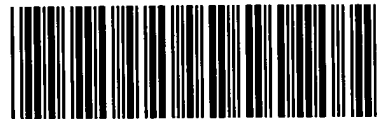


GEO Amey Limited

Directors' report and financial statements
for the year ended 31 December 2024
Registered number 07556404

THURSDAY



AEBUØØVE

A31

25/09/2025

#74

COMPANIES HOUSE

Contents

Directors' report	4
Strategic report	7
Independent auditor's report	11
Statement of Comprehensive Income	14
Statement of Changes in Equity	15
Statement of Financial Position	16
Statement of Cash Flows	17
Notes	18

Company registration number: 07556404

Registered office: Unit A, Redwing Centre
Mosley Road
Trafford Park
Manchester
United Kingdom,
M17 1RJ

Directors: Zoley, George, C
Evans, Brian, R (Resigned on 31 December 2024)
Martin, Amber, D
Schiller, Kyle, P
McGilvray, Craig
Gordo, Jose (Resigned on 2 August 2024)
Johnson, Stephanie
Wilson, Richard
Calabrese, Wayne, H (Resigned on 31 March 2025)
Suchinski, Mark, J (Appointed 1 January 2025)
Laird, Paul (Appointed 2 April 2025)

Secretary: Sherard Secretariat Services Limited.
Chancery Exchange,
10 Furnival Street,
London,
United Kingdom,
EC4A 1AB

Bankers: HSBC Bank plc
62-76 Park Street
London
SE1 9DZ

Auditor: Azets Audit Services
Ship Canal House
98 King Street
Manchester
M2 4WU

Directors' report

The Directors present their report together with the financial statements of the Company for the year ended 31 December 2024.

Principal activity

The Company, which was incorporated on 8 March 2011, is a joint venture company between The GEO Group Limited and Amey Community Limited.

The principal activity of the Company is to deliver prisoner escort and custody services across Scotland, England and Wales.

GEOAmey brings a progressive approach to the provision of UK justice services drawing on expertise as an international leader in custodial care and the management of complex logistics. Our innovative logistical solutions supported by advanced technology are driving safe, secure, and more efficient prisoner movements.

The Company's financial risk management policies and procedures are included within the Strategic report on pages 7 to 10.

Results and dividends

The trading results in the attached financial statements represent the results of the Company for the year ended 31 December 2024. The Company recognised a profit for the year of £3,254k (2023: £3,739k).

Dividends of £5,000k (2023: £5,000k) were proposed during the year, of which £5,000k was paid following the year-end.

Financial risk management policies have been reviewed as part of the Strategic report. A summary of how the directors have engaged with suppliers, customers and others in a business relationship with the Company has been provided in the Strategic report.

Future outlook and going concern

The Company's performance in the twelve-month period, its strategy and the main risks affecting its business performance are set out on pages 7 to 10 of these financial statements. Its financial position, cash flows and the financial facilities available to it are described in the financial statements which follow.

The Directors have reviewed cash flow forecasts to September 2026 to make their assessment of going concern. These forecasts indicate that the cash flows generated over the period will allow the Company to settle its liabilities as they fall due. The key factors to note in reaching this conclusion are that GEO Amey has long term contracts and the directors are confident that these, when consolidated at a company level, will be profitable over the period of these contracts. In the near term, despite the challenges on our contracts as referred to in the Strategic Report, the Company remains cash generative and is able to support itself without any external financing or direct shareholder support.

The current Scotland contract ends in January 2027 and the tender process for the next generation contract (known as JPECCS) commenced in May 2024. The Directors having completed a full assessment of the tender documentation have made a strategic decision not to participate in the upcoming tender process for the renewal of Scotland contract and instead focus on fulfilling the remaining term of the current contract. Management has assessed the financial and operational implications of this decision, along with the impact of the significant increase in Employers National Insurance costs from April 2025 and has factored both into the Company's forward-looking financial projections and going concern assessment. The Directors believe the Company will continue to generate sufficient cashflows to support its operations over the going concern period.

Consequently, the Directors have concluded that the Company has adequate resources to continue trading for the foreseeable future and they therefore have adopted the going concern basis of preparation when preparing the financial statements.

Post balance sheet events

At the date of signing, no post balance sheet events had been identified other than the JPECCS contract mentioned above.

Directors' report (Continued)

Directors

The directors who served the company during the year were:

Zoley, George, C
Evans, Brian, R (Resigned on 31 December 2024)
Martin, Amber, D
Schiller, Kyle, P
McGilvray, Craig
Gordo, Jose (Resigned on 2 August 2024)
Johnson, Stephanie
Wilson, Richard
Calabrese, Wayne, H (Resigned on 31 March 2025)
Suchinski, Mark, J (Appointed 1 January 2025)
Laird, Paul (Appointed 2 April 2025)

Charitable and political contributions

The Company made charitable contributions to various charitable causes during the year totalling £5k (2023: £10k). No political contributions were made during the year.

Employment policy

Diversity

Our aim is to ensure that no job applicant, employee or former employee receives less favourable treatment on the grounds of colour, race, nationality, ethnic or national origin, religious belief, sex, sexual orientation, marital status, age or because of unlawful discrimination relating to disability.

Disabled employees

The Company considers applications for employment from disabled persons where the disabled person may adequately cover the requirements of the job. Disabled persons are employed under the normal contract terms and conditions. Career development and promotion is provided wherever appropriate.

Employee engagement

It is Company policy to communicate with and involve all employees, subject to commercial and practical limitation, in matters affecting their interests at work and to inform them of the performance of their Company.

Payment policy and practice

The Company recognises the importance of good relationships with its suppliers and subcontractors. Although the Company does not follow a particular code or standard on payment practice, its payment policy is to:

- Agree payment terms in advance of any commitment being entered into
- Ensure suppliers are made aware of these terms by inclusion of the terms of payment on the order or contract
- Make payments in accordance with the terms, wherever possible, providing that the documentation presented is complete and accurate.

At year-end, trade and other payables, classified as current liabilities, amounted to £16.8m (2023: £18.9m)

Directors' Indemnities

Directors' and officers' insurance cover has been established for all Directors to provide appropriate cover for their reasonable actions on behalf of the Company and was in force during the 2024 financial year.

Directors' report (Continued)

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Report, Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. 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 and 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 accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements.

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

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken as Directors, in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The directors consider the annual report and the financial statements, taken as a whole, provides the information necessary to assess the company's performance, business model and strategy and is fair, balanced and understandable.

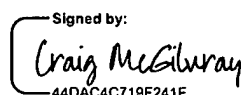
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Having expressed their willingness to continue in office, Azets Audit Services will be deemed to be reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the Company receives notice under section 488(1) of the Companies Act 2006.

On behalf of the board

Craig McGilvray
Director

Signed by:

44DAC4C719F241F...

Date: 19th September 2025

Company Registration Number: 07556404

Strategic report

Introduction

The objectives of this report are to provide shareholders and other users of these statements:

- with the appropriate level of background context for these financial statements
- with an analysis of the entity's past performance; and
- insight into the entity's main objectives and strategies and the principal risks it faces and how they might affect future performance.

The Company's Objectives

The main business objective is delivering a sustainable, responsible and profitable business by delivering a progressive approach to the provision of UK justice services drawing on expertise as an international leader in custodial care and the management of complex logistics.

The Company's Strategy

The Company's strategy is to:

- Continue to ensure the business is delivering an exceptional level of service to its customers
- Deliver profitability on existing contracts in line with tendered levels and improve the profitability in the future via the expansion of awarded contracts
- Monitor and maintain control over all costs to maintain a profitable position.

Business review

The Company, which was incorporated on 8 March 2011, is a joint venture company between The GEO Group Limited and Amey Community Limited. The principal activity of the Company is to deliver prisoner escort and custody services across Scotland, Wales, and the North and Midlands of England.

During the year, the Company generated:

- Revenue of £119.5m (2023: £108.2m)
- Operating profit before depreciation and amortisation ("EBITDA") of £15.4m (2023: £15.7m)
- Profit before tax of £4.4m (2023: £4.9m)

The SCCPES contract performed consistently throughout the year supported by the recalibration in the prior year, which delivered more sustainable commercial terms. This enabled a significant uplift in officer pay rates, strengthening our ability to recruit and retain staff at required levels.

The PECS contract continues to be profit and cash generating however as in previous years, we have seen a further degradation in performance year on year. Profitability continues to be below the level anticipated at tender stage driven by ongoing challenges related to rising wage costs and broader inflationary pressures.

Strategic report (continued)

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to several risks. The revenue level of the Company is affected by the volume of prisoners transported and the number of courts serviced and therefore any changes in the level of demand and activity will impact revenue levels. For our PECS contract this risk is mitigated by minimum payment thresholds and the recalibrated SCCPES contract has reduced the exposure of the Company to fluctuations in service demands.

In addition to this, a principal risk of the business exists in the ability to attract and retain experienced personnel. The business operates in a competitive market where the quality of personnel is essential to the delivery of the service. These individuals are a major factor in the success of the business. Regular reviews of the personnel and their performance are carried out within the Company's procedures which identify if additional training is required. All members of staff are required to successfully pass vetting processes.

Key performance indicators

In addition to reviewing the financial information presented within the financial statements, the Directors also monitor a number of other non-financial measures. These include operational KPI's, Labour statistics, health & safety reports and compliance reporting. Certain of these KPI's are shared with both employees and customers (service level targets achieved). Service measures are a key component of both contracts and are regularly monitored on a monthly basis. Improvements are measured via operational action plans to work towards continual improvement. Key financial KPIs are reviewed on page 7.

Disclosure under S172 of the Companies Act

The Directors of GEO Amey Limited have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for its members as a whole. In doing so, the Directors' have considered (amongst other matters):

- i. the likely consequences of any decision in the long term,
- ii. the interests of the company's employees,
- iii. the need to foster the company's business relationships with suppliers, customers and others,
- iv. the impact of the company's operations on the community and the environment,
- v. the desirability of the company maintaining a reputation for high standards of business conduct, and
- vi. the need to act fairly as between members of the company.

The Company's contracts with its customers are both multi-year agreements which necessitate a long-term view over the impact of any commercial and operational decisions. When considering the impact of the Company on its wider stakeholders, the Directors' discharge their duty in the following way:

People

Our people are fundamental to the long-term success of the Company and the Directors are dedicated to ensuring they are provided with the skills and opportunities to succeed and develop. The Directors continue to invest in making the company a desirable place to work. The Company provides all employees with regular updates about the business and matters which affect them through a number of different channels to enable everyone to contribute to the wider success of the business.

Strategic report (continued)

Business relationships

The Company is dedicated to providing its customers with the highest standard of service and operates in a transparent and collaborative way to achieve high levels of satisfaction.

The Company is committed to working fairly with its suppliers and aims to always pay promptly, in-line with the terms agreed at the outset of the contract. We hold periodic review meetings with key suppliers to promote effective relationships.

The community and wider environment

The nature of the Company's business is fundamental to the UK's justice system and GEOAmey is proud to provide such a vital public service to wider society. We are committed to creating sustainable, long-term opportunities in our communities and our strategy takes into account the impact of the Company's operations on the surrounding community and environment.

Streamlined energy and carbon reporting

The Company has calculated its energy consumption and emissions figures in line with the newly introduced Streamlined Energy and Carbon Reporting guidelines, which are:

	2024	2023
Energy consumed (MWH)	22,464	20,828
Scope 1 emissions (tCO ₂ e)	5,707	5,292
Scope 2 emissions (tCO ₂ e)	263	245
Total emissions (tCO₂e)	5,970	5,537
tCO₂e per head	2.5	2.4

The data has been prepared by collating the utility consumption figures for our operational sites, as billed by our utility providers, and the fuel consumption figures for our vehicles in the year. These usage figures have then been converted into the figures disclosed above using the BEIS Department's conversion factors.

As noted above, the Company is committed to taking into account its impact on the surrounding environment. Initiatives of particular note during the year are:

- We have established an Environmental Committee, comprised of a range managers from different functions within the business, to identify areas where we can improve our energy efficiency and reduce our overall environmental impact
- The rollout of our new, more energy efficient, fleet of vehicles to service our PECS 4 contract was completed during 2021 and we continue to focus on improving fuel efficiency and reducing emissions
- We have continued to minimise waste to landfill from our vehicle bases for the year through a range of targeted operational actions and engagement with our supply chain

Financial risk management objectives and policies

The Company uses various financial instruments; historically these include loans, cash and items such as trade receivables and trade payables that arise directly from its operations. In addition there are assets that have been leased under finance leases. The main purpose of these financial instruments is to raise finance for the Company's operations and manage its working capital requirements.

Strategic report (continued)

The main risk arising from the Company's financial instruments is liquidity risk. The Directors review and agree policies for managing each risk-type and these are summarised below.

Interest rate risk

All of the Company's financing agreements are at a fixed rate of interest and the Directors therefore deem this risk to be minimal.

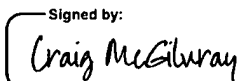
Liquidity Risk

The Company manages its liquidity needs by carefully monitoring scheduled payments for long-term financial liabilities as well as cash outflows due in day-to-day business. Long-term liquidity needs are identified as part of the forecasting and reporting process. The Company maintains sufficient cash reserves to meet its liquidity requirements.

The Company had a cash balance of £13.5m at 31 December 2024 (2023: £18.2m).

Credit risk

The Company's principal financial assets are cash and trade debtors. All financial assets of the Company, except cash in hand, are subject to credit risk. The key management team continue to closely monitor credit worthiness. The Company is exposed to major concentration of credit risk however this is not considered material due to the credit worthiness of the customers.

Signed by:

44DAC4C719F241F...
Craig McGilvray
Director
Date: 19th September 2025

Independent auditor's report to the members of Geo Amey Limited

Opinion

We have audited the financial statements of Geo Amey Limited (the 'Company') for the year ended 31 December 2024 which comprise the statement of comprehensive income, the statement of changes in equity, the statement of financial position, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

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

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

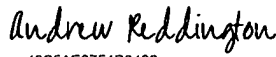
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Signed by:


46C5AE8754B3482...

Andrew Reddington (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

9/19/2025

Date:

Chartered Accountants
Statutory Auditor

Ship Canal House
98 King Street
Manchester
M2 4WU

Statement of Comprehensive Income
for the year ended 31 December 2024

	Note	2024 £000	2023 £000
Revenue	2	119,529	108,200
Cost of sales		(89,673)	(79,177)
Gross profit		29,856	29,023
Administrative expenses		(3,777)	(3,453)
Staff costs	4	(4,236)	(3,577)
Depreciation	8	(9,325)	(8,688)
Other operating expenses		(6,394)	(6,277)
Total expenses		(23,732)	(21,995)
Operating profit	3	6,124	7,028
Interest payable	6	(1,745)	(2,112)
Interest receivable		-	-
Profit before tax		4,379	4,916
Taxation	7	(1,125)	(1,177)
Profit for the year from continuing operations		3,254	3,739
Other comprehensive income		-	-
Total comprehensive income for the year attributable to the owners		3,254	3,739

The accompanying accounting policies and notes on pages 18 to 37 form an integral part of these financial statements.

Statement of Changes in Equity
for the year ended 31 December 2024

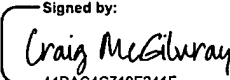
	Share Capital	Profit and loss account	Total equity attributable to owners of parent
	£000	£000	£000
Balance at 1 January 2023	-	10,535	10,535
Total comprehensive income for the year	-	3,739	3,739
Dividends declared		(5,000)	(5,000)
Balance at 31 December 2023	-	9,274	9,274
Balance at 1 January 2024	-	9,274	9,274
Total comprehensive income for the year	-	3,254	3,254
Dividends declared	-	(5,000)	(5,000)
Balance at 31 December 2024	-	7,528	7,528

The accompanying accounting policies and notes on pages 18 to 37 form an integral part of these financial statements.

Statement of Financial Position
as at 31 December 2024

	Note	31 st December 2024 £000	31 st December 2023 £000
Non-current assets			
Property, plant and equipment	8	30,481	37,593
Long term receivables	9	604	922
		<u>31,085</u>	<u>38,515</u>
Current assets			
Trade and other receivables	11	13,115	11,494
Cash and cash equivalents		13,455	18,218
		<u>26,570</u>	<u>29,712</u>
Total assets		<u>57,655</u>	<u>68,227</u>
Current liabilities			
Trade and other payables	12	(16,783)	(18,885)
Lease liabilities	13	(9,381)	(9,381)
Current Tax Payable		(493)	(286)
Provisions	14	(65)	-
		<u>(26,722)</u>	<u>(28,552)</u>
Non-current liabilities			
Trade and other payables	12	(2,789)	(3,419)
Provisions	14	(1,157)	(1,022)
Lease liabilities	13	(19,459)	(25,960)
		<u>(23,405)</u>	<u>(30,401)</u>
Total liabilities		<u>(50,127)</u>	<u>(58,953)</u>
Capital and reserves			
Share capital	16	-	-
Profit and loss account		(7,528)	(9,274)
Total equity		<u>(7,528)</u>	<u>(9,274)</u>
Total equity and liabilities		<u>(57,655)</u>	<u>(68,227)</u>

These financial statements were approved by the Board of Directors on 19th September 2025 and were signed on its behalf by:

Signed by:

 Craig McGilvray
 4ADAC719F241F...
 Company Registration Number: 07556404

Statement of Cash Flows
for the year ended 31 December 2024

	2024 £000	2023 £000
Cash flows from operating activities		
Profit for the year	3,254	3,739
Adjustments for:		
Depreciation	9,325	8,688
Impairments	-	-
Financial income	-	-
Financial cost	1,745	2,112
Taxation	1,175	1,177
Cash flows from operating activities before changes in:	15,499	15,716
Decrease/ (Increase) in trade and other receivables	(1,621)	2,285
(Decrease)/Increase in trade, other payables and provisions	(3,700)	82
Decrease/ (Increase) in long term receivables	518	509
Cash generated from operations	10,696	18,592
Cash flows from investing activities		
Purchase of property, plant and equipment	(553)	(676)
Proceeds on the disposal of property, plant and equipment	54	3
Net cash used in investing activities	(499)	(673)
Cash flows from financing activities		
Dividends Paid	(5,000)	(1,300)
Repayment of capital element of leasing liabilities	(8,215)	(7,421)
Interest received	-	-
Interest paid	(1,745)	(2,112)
Net cash used in financing activities	(14,960)	(10,833)
Net increase in cash and cash equivalents	(4,763)	7,086
Cash and cash equivalents at start of period	18,218	11,132
Cash and cash equivalents at 31 December 2024	13,455	18,218

The accompanying accounting policies and notes on pages 18 to 37 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Nature of operations

The Company is dedicated to providing its customers with the highest standard of secure transportation for the escort of prisoners between secure locations. The Company is further engaged in providing custodial services within the court's custody suites and the court docks.

Going Concern

The Company's performance in the twelve-month period, its strategy and the main risks affecting its business performance are set out on pages 7 to 10 of these financial statements. Its financial position, cash flows and the financial facilities available to it are described in the financial statements which follow.

The Directors have reviewed cash flow forecasts to September 2026 to make their assessment of going concern. These forecasts indicate that the cash flows generated over the period will allow the Company to settle its liabilities as they fall due.

The current Scotland contract ends in January 2027 and the tender process for the next generation contract (known as JPECCS) commenced in May 2024. The Directors having completed a full assessment of the tender documentation have made a strategic decision not to participate in the upcoming tender process for the renewal of Scotland contract and instead focus on fulfilling the remaining term of the current contract. Management has assessed the financial and operational implications of this decision, along with the impact of the significant increase in Employers National Insurance costs from April 2025 and has factored both into the Company's forward-looking financial projections and going concern assessment. The Directors believe the Company will continue to generate sufficient cashflows to support its operations over the going concern period.

Consequently, the Directors have concluded that the Company has adequate resources to continue trading for the foreseeable future and they therefore have adopted the going concern basis of preparation when preparing the financial statements.

General information and statement of compliance with IFRS

The Company is a limited liability company incorporated in England and domiciled in the United Kingdom. Its registered office and principal place of business is Unit A, Redwing Centre, Mosley Road, Trafford Park, Manchester, M17 1RJ. The Company's shares are privately held.

The financial statements have been prepared in accordance with applicable International Financial Reporting Standards (IFRS) in conformity with the Companies Act 2006.

The financial statements are presented in pounds sterling, the functional currency, rounded to the nearest thousand, are prepared on the Going Concern basis and under the historical cost convention. The measurement bases and principal accounting policies of the Company are set out below.

The Directors have reviewed the accounting policies and consider that they are appropriate for the Company.

New or revised standards or interpretations

New standards adopted as of 1 January 2024

There are no new standards which have been adopted in the year.

New IFRS Standards and Description Interpretations issued but not yet effective

There are no standards in issue not yet effective, which are expected to have a material impact upon the financial statements.

1 Accounting policies (continued)

Revenue

Revenue consists of services provided to two customers, the Ministry of Justice for prisoner escort and custodial services in Great Britain and the Scottish Court Custody and Prisoner Escorting Service (SCCPES) contract on behalf of the Scottish Prison Service (SPS) and Criminal Justice Partners. Revenue is recognised as performance obligations are satisfied over time over the life of a contract. Revenue is recognised on an output basis, as the transfer of economic benefit depends on the value transferred relative to the remaining services promised under the contract.

The company recognises trade receivables in its statement of financial position in respect of amounts due from customers to which it has an unconditional right. There are no significant judgements involved in determining these receivables.

The company recognises assets in respect of costs incurred in fulfilling contracts with customers where this is permitted by IFRS 15. These assets are amortised over the lives of the contracts as disclosed in note 9. The company recognises an asset relating to the costs incurred to fulfil a contract where they are not within the scope of another accounting standard and where they meet all of the following criteria:

- The costs relate directly to a contract or to an anticipated contract that the company can specifically identify;
- The costs generate or enhance resources of the company that will be used in satisfying (or continuing to satisfy) performance obligations in the future; and
- The costs are expected to be recovered.

Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all of the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments (of which none were held by the company in either the current or prior year), are classified into the following categories:

- Amortised cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVOCI)

In the periods presented the company did not have any financial assets designated as FVTPL or FVOCI.

The classification is determined by both:

- The company's business model for managing the financial asset
- The contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within interest payable or interest receivable except for the impairment of trade receivables which is presented within other operating expenses when required.

1 Accounting policies (continued)

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions:

- They are held within a business model whose objective is to hold the financial assets and collect contractual cash flows
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss. No financial liabilities were designated at fair value through profit or loss in the periods presented.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges that are reported in profit or loss are included within interest payable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Equity

Equity comprises the following:

"Share capital" represents the nominal value of equity shares.

"Profit and loss account" represents retained profits and losses.

All transactions with owners of the company are recorded separately within equity.

Defined contribution pension scheme

The pension costs charged against profits are the contributions payable to the scheme in respect of the accounting period.

Property, Plant & Equipment

The Company measures all items of PPE at cost across both classes; Furniture, fixtures, fittings and equipment; and Motor Vehicles. All assets are depreciated on a straight line basis and are depreciated over the shorter of the life of the contract to which they relate or the standalone estimated useful life of the asset itself.

Disposal of assets

The gain or loss arising on the disposal of an asset is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognised in the income statement. The gain or loss arising from the sale or revaluation of held for sale assets is included in "other income" or "other expense" in profit or loss.

1 Accounting policies (continued)

Impairment

On an annual basis management assess whether indicators of impairment are present. If such indicators are identified a formal impairment assessment will be performed in line with IAS 36. For assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses arising are charged pro rata to the assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

For the year ended 31st December 2024 no Impairment losses have been recognised within the income statement.

Leased assets

The Company makes use of leasing arrangements for the provision of the properties and vehicles used in its operations.

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of
- the contract the Company has the right to direct the use of the identified asset throughout the period of use.

The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee:

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. The incremental borrowing rate is the estimated rate that the company

would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurements, the liability will be reduced by lease payments that are allocated between repayments of principal and interest. The interest is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

The lease liability is reassessed when there is a change in lease payments. Changes in lease payments arise from a change in the lease term or a change in the assessment of an option to purchase a leased asset. The revised lease payments are discounted using the company's incremental borrowing rate at the date of reassessment when the rate implicit in the lease cannot be readily determined. The amount of the remeasurement of the lease liability is reflected as an adjustment to the carrying amount of the right-of-use asset. The exception being when the carrying amount of the right-of-use asset has been reduced to zero, when any excess is recognised in profit or loss.

Taxation

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

The calculation of current and deferred tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method. The carrying amounts of deferred tax are reviewed at the end of each reporting period and adjusted if needed.

Deferred tax assets are recognised to the extent it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Accounting estimates and judgements

The preparation of these financial statements in accordance with IFRS as adopted in conformity with the Companies Act 2006 requires management to make judgements and estimates that affect the amounts of the reported assets and liabilities and the reported amounts of revenues and expenses each period. Management believes that the judgements and estimates employed in preparing these financial statements are reasonable but the actual results may differ from the estimates made, requiring adjustments to the financial statements in future periods.

1 Accounting policies (continued)***Long Term Receivable***

The company recognises as an asset the incremental cost of fulfilling a contract with a customer if the company expects to recover those costs, in accordance with IFRS 15 'Revenue from contracts with customers'. These costs are those which the company incurs that it would not have incurred if the contract had not been obtained. If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (for example, IAS 2 Inventories, IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets), the company recognises an asset from the costs incurred to fulfil the contract only if those costs meet all of the following criteria:

- the costs relate directly to a contract or to an anticipated contract that the company can specifically identify;
- the costs generate or enhance resources of the company; and
- the costs are expected to be recovered.

Accounting Estimates***Impairment of property, plant and equipment***

Where there is an indication that an asset may be impaired, the Company is required to test whether assets have suffered any impairment. The recoverable amount is determined based on value-in-use calculations. The use of these methods requires the estimation of future cash flows and discount rates in order to calculate the present value of the cash flows. In certain cases, the estimation of development plans is required and third-party valuations used. Actual outcomes may vary. Further information is set out in note 8.

Dilapidation Provisions

As disclosed in note 13, the company has leases in place for vehicle base facilities. Such leases contain dilapidation clauses necessitating a provision within the financial statements. At the balance sheet date, management make their best estimate of the provision, noting that the measurement and timing of settlement of such provisions can vary significantly depending on remaining life of the lease, the terms of the contract and the nature of the site occupied. Where leases approach expiry or have expired, dilapidation provisions are measured with reference to management's own assessment of the potential expense to settle dilapidations that have occurred, that of the landlord, and where appropriate the view of an external expert. Settlements are ultimately commercial negotiations and the final expenses can vary from provisions made.

For newer leases with a long remaining life, provisions are based on a consistently applied percentage of annual lease costs, increasing each year. Management keep these provisions under review and as the expiry of the lease approaches, will refine these estimates using the approach noted above.

Leases – determination of the appropriate discount rate to measure lease liabilities

Where the rate implicit in a lease is not readily determinable, the Company uses its incremental borrowing rate as the discount rate for determining its lease liabilities at the lease commencement date. The incremental borrowing rate is the rate of interest that the company would have to pay to borrow over similar terms which requires estimations when no observable rates are available

Service credit accruals

Under the terms of service contracts, where it is deemed that standards have not been met, the company can incur financial penalties from a customer in the form of service credits. Where management accept that a shortfall against the agreed level of service has occurred, penalties arising are debited to the statement of comprehensive income as incurred. Where management contest the rationale for application of such penalties, they will contest them with the customer. Of the total amount of contested service credits, provision is made within the financial statements to reflect the amount that, having taken full consideration of the terms of the contract, and, where necessary, advice of an appropriately knowledgeable advisor, they believe represents a reasonable estimate of the anticipated settlement.

2 Revenue

GEO Amey has two contracts; one with the Ministry of Justice and one with the Scottish Court Custody and Prisoner Escorting Services (SCCPES) contract, on behalf of the Scottish Prison Service (SPS) and Criminal Justice Partners (CJPs).

All revenues are derived from activities in the United Kingdom.

3 Operating Profit

Included in operating profit are the following:

	Year ended 31 December 2024 £000	Year ended 31 December 2023 £000
Depreciation of owned fixed assets	1,072	779
Depreciation of leased assets	8,253	7,909

Auditor's remuneration:

	Year ended 31 December 2024 £000	Year ended 31 December 2023 £000
Audit of these financial statements	45	42

4 Staff numbers and costs

The average number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows:

Number of employees

	Year ended 31 December 2024	Year ended 31 December 2023
Staff	2,403	2,300

The aggregate payroll costs of these persons were as follows:

	Year ended 31 December 2024 £000	Year ended 31 December 2023 £000
Wages and salaries	70,785	62,949
Social security costs	6,719	5,665
Pension costs	1,619	1,402
	<u>79,123</u>	<u>70,016</u>

4 Staff numbers and costs (continued)

Key management of the Company is considered to be the Executive Board, which does not include any statutory directors. In the current year there have been five (2023: six) members of staff who are considered to be key management.

	Year ended 31 December 2024 £000	Year ended 31 December 2023 £000
Key management remuneration		
Salaries and other income	922	846
Pension costs	71	59
	<u>993</u>	<u>905</u>

The number of Key Management receiving pension benefits during the year is five (2023: six).

There were no long-term incentive schemes.

5 Directors' emoluments

No Director received any emoluments, pension benefits, compensation for loss of office, or early retirement benefits. There were no long-term incentive schemes and no amounts were paid to third parties in respect of Directors' services.

6 Interest Payable

	Year ended 31 December 2024 £000	Year ended 31 December 2023 £000
Bank interest	-	-
Interest expense for leasing arrangements	1,745	2,112
	<u>1,745</u>	<u>2,112</u>

7 Taxation

Recognised in the statement of comprehensive income

	Year ended 31 December 2024 £000	Year ended 31 December 2023 £000
UK Corporation tax	1,193	1,128
Adjustments in respect of prior years	52	-
	1,245	1,128
Deferred tax charged/(credited) to the Statement of Comprehensive Income	(120)	49
Total tax expense	<u>1,125</u>	<u>1,177</u>

Reconciliation of effective tax rate

	Year ended 31 December 2024 £000	Year ended 31 December 2023 £000
Profit before tax	<u>4,379</u>	<u>4,916</u>
Tax using the UK corporation tax rate of 25% (2023: 23.5%)	1,095	1,155
Timing differences reflected in deferred tax	(22)	22
Adjustments to tax charge in respect of previous periods	52	-
Total tax charge	<u>1,125</u>	<u>1,177</u>

Tax losses available to the Company at 31 December 2024 are £nil (2023: £nil).

8 Property, plant and equipment

	Furniture, fixtures, fittings and equipment £000	Properties £000	Motor vehicles £000	Assets Under Construc- tion £000	Total £000
Gross Carrying Amount					
Balance at 1 January 2024	7,698	10,465	47,741	6	65,910
Additions	217		59	224	500
Modifications		750	1,017		1,767
Disposals	-	-	(120)	-	(120)
Transfer	210	-	-	(210)	-
Balance at 31 December 2024	8,125	11,215	48,697	20	68,057
Depreciation and Impairment					
Balance at 1 January 2024	(2,721)	(4,197)	(21,399)	-	(28,317)
Depreciation charge for the year	(1,050)	(1,071)	(7,204)	-	(9,325)
Disposal	-	-	66	-	66
Balance at 31 December 2024	(3,771)	(5,268)	(28,537)	-	(37,576)
Carrying Value at 31 December 2024	4,354	5,947	20,160	20	30,481
	Furniture, fixtures, fittings and equipment £000	Properties £000	Motor vehicles £000	Assets Under Construc- tion £000	Total £000
Gross Carrying Amount					
Balance at 1 January 2023	12,645	10,465	46,096	698	69,904
Additions	163	-	1,645	513	2,321
Disposals	(6,315)	-	-	-	(6,315)
Transfer	1,205	-	-	(1,205)	-
Balance at 31 December 2023	7,698	10,465	47,741	6	65,910
Depreciation and Impairment					
Balance at 1 January 2023	(8,262)	(3,183)	(14,496)	-	(25,941)
Depreciation charge for the year	(771)	(1,014)	(6,903)	-	(8,688)
Disposal	6,312	-	-	-	6,312
Balance at 31 December 2023	(2,721)	(4,197)	(21,399)	-	(28,317)
Carrying Value at 31 December 2023	4,977	6,268	26,342	6	37,593

8 Property, plant and equipment (continued)

The Company has leases for the main warehouses and related office facilities and motor vehicles. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and asset. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying leased asset outright at the end of the lease, or to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and factory premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

All depreciation and impairment charges are included within depreciation, amortisation and impairment of non-financial assets.

Right-of-Use (ROU) assets arising from lease agreements with a carrying value of £5,947k (2023: £6,268k) for leasehold properties and £20,096k (2023: £26,315k) for motor vehicles are included in the above table. For more detailed information on the movements, depreciation, and related lease liabilities, please refer to note 13, Lease Liabilities.

9 Long term receivables

	2024	2023
	£000	£000
Long term receivables	604	922
Trade receivables due > 1 year	-	-
	<u>604</u>	<u>922</u>

Long term receivables represent the costs to fulfil the Scottish Court Custody and Prisoner Escorting Services (SCCPES) and PECS 4 contracts. There is no cost of capital assumed for this balance. The receivable will be amortised over the life of the contracts.

10 Deferred tax

Recognised deferred tax assets and liabilities

	Assets £000	Liabilities £000	Total £000
Fixed asset timing differences		(531)	(531)
Short term timing differences	330		330
Net tax asset (liability) at 1 January 2024	330	(531)	(201)
Fixed asset timing differences		(475)	(475)
Short term timing differences	395		395
Net tax asset (liability) at 31 December 2024	395	(475)	(80)

Movement in deferred tax during the year

	31 December 2023 £000	Recognised in income £000	31 December 2024 £000
Fixed asset timing differences	(531)	56	(475)
Short term timing differences	330	65	395
	(201)	121	(80)

11 Trade and other receivables

	2024 £000	2023 £000
Trade and other receivables	11,226	9,940
Current element of long-term receivable	226	278
Prepayments	1,663	1,276
	13,115	11,494

The Directors consider that the carrying value of trade and other receivables to approximate their fair value.

No credit losses were experienced in the year, and no provision has been included by management for doubtful debts (2023: Nil).

12 Trade and other payables

	2024 £000	2023 £000
Trade payables	1,780	1,768
Non-trade payables and accrued expenses	4,450	5,816
Payroll taxes and social security	1,596	1,412
VAT	3,338	4,170
Amounts owed to related parties	27	14
Dividends payable to shareholders	5,000	5,000
Deferred tax liability (note 10)	80	201
Deferred income	512	504
Trade payables due in less than one year	16,783	18,885
Deferred income	2,387	2,858
Non-trade payables and accrued expenses	402	561
Trade payables due in more than one year	2,789	3,419
Trade payables	19,572	22,304

The Directors consider that the carrying value of trade and other payables to approximate to their fair value.

13 Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	2024 £'000	2023 £'000
Current		
Lease liabilities	9,381	9,381
Non-current		
Leases liabilities	19,459	25,960
Total lease liabilities	28,840	35,341

13 Lease liabilities (continued)

GEOAmey has leases for the fleet and vehicle base facilities/ office buildings, and some IT equipment. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and asset. GEOAmey classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for GEOAmey to sublet the asset to another party, the right-of-use asset can only be used by GEOAmey. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. GEOAmey is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and factory premises GEOAmey must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, GEOAmey must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts

The table below describes the nature of GEOAmey's leasing activities by type of right-of-use asset recognised on balance sheet:

Right of Use Asset	Range of remaining term	Average Remaining lease Term	Proportion of leases with extension options	Proportion of leases with options to purchase	Proportion of leases with variable element linked to index	Proportion of leases with Termination options
Vehicles	2 – 6 years	4 years	Nil	Nil	100%	100%
Properties	1 – 6 years	6 years	4%	Nil	20%	96%

The lease liabilities are secured by the related underlying assets. Future minimum lease payments are as follows:

31 December 2024	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	Total
Lease Payments £000	9,195	7,067	5,005	4,452	4,416	3,849	33,984
Finance Charges £000	(416)	(645)	(732)	(858)	(1,037)	(1,456)	(5,144)
Net Present Value	8,779	6,422	4,273	3,594	3,379	2,393	28,840

31 December 2023	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	Total
Lease Payments £000	9,635	8,612	6,670	4,653	4,112	6,826	40,508
Finance Charges £000	(255)	(665)	(878)	(795)	(880)	(1,694)	(5,167)
Net Present Value	9,380	7,947	5,792	3,858	3,232	5,132	35,341

13 Lease liabilities (continued)

Right of use assets recognised under IFRS 16 are as follows:

	Leasehold Properties £000	Motor vehicles £000	Total £000
Gross Carrying Amount			
Balance at 1 January 2024	10,465	47,538	58,003
Modifications	750	1,017	1,767
Disposals	-	(120)	(120)
Balance at 31 December 2024	11,215	48,435	59,650
Depreciation			
Balance at 1 January 2024	(4,197)	(21,223)	(25,420)
Depreciation charge for the year	(1,071)	(7,182)	(8,253)
Disposals	-	66	66
Balance at 31 December 2024	(5,268)	(28,339)	(33,607)
Carrying Value at 31 December 2024	5,947	20,096	26,043
	Leasehold Properties £000	Motor vehicles £000	Total £000
Gross Carrying Amount			
Balance at 1 January 2023	10,465	45,893	56,358
Modifications	-	1,645	1,645
Disposals	-	-	-
Balance at 31 December 2023	10,465	47,538	58,003
Depreciation			
Balance at 1 January 2023	(3,183)	(14,328)	(17,511)
Depreciation charge for the year	(1,014)	(6,895)	(7,909)
Disposals	-	-	-
Balance at 31 December 2023	(4,197)	(21,223)	(25,420)
Carrying Value at 31 December 2023	6,268	26,315	32,583

Lease payments not recognised as a liability

GEOAmey has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

14 Provisions

	Dilapidations	Total
	£000	£000
At 1 January 2024	1,022	1,022
Additional provisions	199	199
Utilisation of provision	1	1
At 31 December 2024	1,222	1,222
Current Provisions	65	65
Non-Current Provisions	1,157	1,157
Total Provisions at 31 December 2024	1,222	1,222

15 Employee benefits

The Company operates a defined contribution pension plan. The total expense relating to these plans in the current year was £1,619k (2023: £1,402k).

16 Share capital

	Ordinary Shares
Shares in issue at 31 December 2024 and 31 December 2023	
	£
<i>Authorised</i>	
Ordinary shares of £1 each	100
<i>Allotted, called up and fully paid</i>	
Ordinary shares of £1 each	100

17 Capital and Reserves

Share capital represents the nominal value of the share issued.

Profit and loss account represents all current and prior period profits and losses.

18 Financial Instruments

The Company uses various financial instruments; these include loans, cash and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations and manage its working capital requirements.

The main risks arising from the Company's financial instruments are liquidity risk. The Directors review and agree policies for managing this risk which are summarised below.

Credit risk and interest rate risk are not considered to be material risks due to the creditworthiness of the customer base.

Effective interest rates and re-pricing analysis

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the balance sheet date and the periods in which they mature or, if earlier, are re-priced.

2024						
	Effective interest rate %	Total £000	Within 1 year £000	Between 1 and 2 years £000	Between 2 and 5 years £000	5 years and over £000
Cash and cash equivalents	0%	13,455	13,455	-	-	-
		<u>13,455</u>	<u>13,455</u>	<u>-</u>	<u>-</u>	<u>-</u>

Liquidity Risk

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis as well as on the basis of a rolling 90-day projection. Long-term liquidity needs are identified as part of the forecasting and reporting process. The Company maintains cash to meet its liquidity requirements for up to 30-day periods. Funding in regards to long-term liquidity needs is additionally secured by an adequate amount of shareholder loan facilities. As at 31 December 2024, the Company's liabilities have contractual maturities, inclusive of estimated interest where applicable, which are summarised below:

18 Financial Instruments (continued)

Current

	Within 6 months	6-12 months
	2024 £000	2024 £000
Trade payables	1,780	-
Non-trade payables and accrued expenses	4,450	-
Dividends payable to shareholders	5,000	-
Total	11,230	-

Financial assets and liabilities statement of financial position classification

Assets	2024	2023
Current assets held at amortised cost	£000	£000
Trade and other receivables:	13,115	11,494
Cash and cash equivalents	13,455	18,218
Total financial assets	26,570	29,712
Liabilities		
Current liabilities held at amortised cost		
Lease liabilities:	(9,381)	(9,381)
Trade and other payables:	(9,475)	(10,830)
Non-current liabilities held at amortised cost		
Lease liabilities:	(19,459)	(25,960)
Total financial liabilities	(38,315)	(46,171)

18 Financial Instruments (continued)

Capital management policies and procedures

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate return to shareholders.

The Company monitors capital on the basis of the carrying amount of equity plus borrowings, less cash and cash equivalents as presented on the consolidated statement of financial position.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The amounts managed as Capital by the Company for the reporting periods under review are as follows:

	2024 £000	2023 £000
Total equity	7,528	9,274
Cash and cash equivalents	13,455	18,218
Capital	20,983	27,492

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

	Lease liabilities		Total liabilities	
	2024	2023	2024	2023
1 January	35,341	41,116	35,341	41,116
Cashflows:				
Repayment	(10,015)	(9,533)	(10,015)	(9,533)
Non-cash:				
New liabilities	1,769	1,646	1,769	1,646
Disposals	-	-	-	-
Interest charged	1,745	2,112	1,745	2,112
31 December	28,840	35,341	28,840	35,341

19 Capital commitments

At 31 December 2024 the Company had capital commitments of £nil (2023: £nil) pertaining to ongoing construction works.

20 Related parties

During the period the Company received goods and services to the value of £420k (2023: £490k) from Amey PLC and its subsidiaries and £42k (2023: £83k) from The GEO Group Inc. and its subsidiaries.

The nature of the related party transactions include payment for Company Secretarial and HR services, car hire, consultancy services, IT licensing and hardware, any dividends declared and not paid

At 31 December 2024, £2,527k was owed to Amey PLC and its subsidiaries (2023: £2,514k) and £2,500k to The GEO Group Inc. and its subsidiaries (2023: £2,500k).

21 Ultimate controlling party

GEO Amey Limited does not have one ultimate controlling company as there is a joint venture ownership structure with the following two direct owning companies, both owning an equal share of GEO Amey Limited:

- The GEO Group Limited (50%) and;
- Amey Community Limited (50%)

The Directors consider the Company's ultimate controlling parties to be The GEO Group Inc. through their 100% ownership of The GEO Group Ltd and Ferrovial S.A. through their 100% ownership of Amey UK plc, the 100% shareholder of Amey Community Limited.

22 Dividend

During 2024, GEO Amey LTD declared dividends of £5,000k (2023: £5,000k) to its equity shareholders. This represents payments of £2,500k to The GEO Group Limited and £2,500k to Amey Community Limited. This represents £50k per share (2023: £50k per share).