

Show the world how to get to a better place

**Ordnance Survey Limited
Annual Report and Financial
Statements for the year
ended 31 March 2022**



Ordnance Survey Limited
Annual Report and
Financial Statements
for the year ended 31 March 2022

Presented to Parliament by the
Secretary of State for Business,
Energy & Industrial Strategy by
Command of Her Majesty.

July 2022.

Please note: *This page is intentionally blank.*

Since 1791



Company information

Registered in England and Wales under number 09121572.

Registered Office: Explorer House, Adanac Drive, Southampton, SO16 0AS.

+44 (0)3456 050505 (general enquiries)

+44 (0)2380 056146 (text phone)

customerservices@os.uk

www.os.uk

External Auditors

Comptroller and Auditor General.

Please note: *from this page onwards all images (photographs, icons, charts and infographics) have been removed from the original document. All other content follows the same order.*



© Crown copyright 2022

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.uk/official-documents

Any enquiries regarding this publication should be sent to us at customerservices@os.uk

ISBN 978-1-5286-3424-3

E02715128

07/22

Printed on paper containing 40% recycled fibre content minimum.

Printed in the UK by HH Associates Ltd. on behalf of the Controller of Her Majesty's Stationery Office.

Contents

Our business	10
Our purpose	10
Our vision	10
Our values	11
What we do	12
Highlights and successes	14
Board’s message	16
CEO’s statement	20
The strategy to deliver on our vision	24

Strategic report	26
Delivering maximum value for UK government	26
Help more people get outside, more often	32
Grow the value of commercial data with our partners	33
Becoming the partner of choice for international governments	35
International engagement	37
Establish new valued-added geospatial services and maximise data revenues	39
Investing in British innovation	41

Geovation, from Ordnance Survey	42
Our culture	43
Financial highlights	56

Sustainability committee report	64
Sustainability	64

Our governance	84
Company status and shareholding	84
Ordnance Survey structure	87
Governance statement	88
Principal risks and uncertainties	98

Directors’ report	120
Statement of Directors’ responsibilities	128
Duty to promote the success of the company	130

Director’s remuneration	136
Remuneration overview	136

Auditor’s report	150
-------------------------	------------

Contents *continued*

Financial statements	162
Consolidated statement of profit or loss and other comprehensive income	162
Consolidated statement of financial position	164
Company statement of financial position as	168
Consolidated statement of changes in equity	173
Company statement of changes in equity	174
Consolidated cash flow statement	176
Company cash flow statement	180
Notes to the consolidated financial statements	184

Please note: *This page is intentionally blank.*

Our business

Our purpose

**Show the world how to
get to a better place**

A 'better place' is our unifying aim. It combines the delivery of the strategy, and our desire to take customers on a journey to a new and inspiring future.

Our vision

**To be recognised as world leaders
in geospatial services; creating
location insight for positive impact**

By delivering on our purpose, we can reach our inspirational vision for the future.

We will create geospatial services that harness the true power of location data and have a positive impact; helping our people, customers and communities to thrive.

Our values

Think Customer

Thrive Together

Stay Ahead

Seize the Moment

In a fast moving world our values help us shape a culture that means our people can be purposeful, stimulated and empowered to deliver our data services and solutions.

What we do

We capture, maintain and provide geospatial data and services to individuals, businesses and governments, both in Britain and internationally

Our world continues to be shaped by demand for data driven insights, for positive economic, social and environmental outcomes.

Our solutions contribute to smart decision making for growth and efficiency in sectors including land and property, energy and infrastructure, health and well-being and the public sector.

In addition, our location data is used to explore the outdoors in an enjoyable, safe and accessible way.

Our business model:

We collect and curate accurate and detailed geospatial data.

We provide trusted and authoritative geospatial data and services to HM Government.

We provide services to governments internationally and sell data directly to sectors including energy and infrastructure, and platform providers.

We license data to a 'partner' network, which brings in commercial revenue.

We provide mapping products and experiences to a consumer market to help people get outside.

Highlights and successes

Revenue
£182.3m
(2020-21: £173.3m)

EBITDA margin¹
28%
(2020-21: 30%)

Free cashflow²
£10.8m
(2020-21: £35.9m)

Net Promoter
Score³
36
(2020-21: 27)

Data
transactions
1.1 billion
(2020-21: 515 million)

103,544 kms
of Britain flown by the OS flying unit

500 million
data points in the National
Geographic Database

20,000
data updates everyday

¹ EBITDA margin is defined as earnings before interest, tax, depreciation and amortisation as a percentage of revenue.

² Free cash flow is defined as total net cash flow with dividend added back.

³ Net Promoter Score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others.

Board's message

The Board is pleased to report delivery, progress and the building of foundations for future success in this year. As we emerged from the pandemic, OS played an important role in the nation's Covid-19 response by providing data for the NHS Test and Trace programme and expertise to support the vaccine rollout.

Investment for commercial growth

At the same time, the Board is pleased to see commercial growth in the leisure business, new product development to support the energy sector and a focus on land solutions for governments in the Middle East and Africa. We have also seen healthy growth in our partner channel and more businesses are licensing OS data to build innovative products and services for their customers.

The Board are clear that the Ordnance Survey brand is a huge strength. It is trusted, valued and respected and serves, both in the UK and abroad, to attract talented staff, to gain new customers and to grow our business. It will continue to be a priority to enhance, evolve and nurture our brand to underpin this key asset.

Investing in the power of geospatial data

At COP26 and the Cambridge Conference we were able to showcase the way in which geospatial expertise supports the work of governments, institutions and businesses in adapting to and mitigating climate change. We have focused on improving the sustainability in the way we run our business and made progress on developing geospatial solutions to help customers reach their sustainability goals.

OS has a vital contribution to make in unleashing the power of geospatial data to power business and government.

Geovation, our start-up hub, has had a fantastic year, winning an accelerator of the year award and helping an innovative cohort of geospatial entrepreneurs.

This has been a year of investment in new data and technology solutions. It is a priority for the Board that we continue to maintain the National Geographic Database which holds the critical data infrastructure for Britain. Improvements are being made to the quality and detail so that OS data can continue in its role supporting a wide range of public and private sector services.

Investing in people

We have also made significant investments in people. As a data services business, OS is dependent on diverse talent across all areas of the business. It has been great to see the way in which OS has been able to attract some of the best technical and commercial talent at all levels over the last year and the Board is very conscious that, in the current labour market, this will become an ever-greater challenge as we continue to compete with major technology firms with deep pockets.

Our dividend

In the context of our healthy cash position and significant pressure on the public purse we have also made the decision to declare a larger dividend to our government shareholder. It is our intention to continue to be able to pay dividends back to HMG at a higher level than our normal policy and we have agreed mechanisms that will determine how much dividend repayment is affordable in any given year.

Governance

The board is delighted to welcome Steve Showell as our new CFO. This year we said goodbye to CEO Steve Blair and NED John Clarke and we thank them for their valuable service. In March, Stephen Lake was confirmed as board Chair having previously served as interim Chair. We are very grateful to him for also taking on the role of interim CEO from October 2021. His strategic knowledge and deep understanding of the OS business benefits us enormously. We detail in the report on pages 88 and 115 the governance arrangements we have put in place while Stephen remains interim CEO. We have instigated the process to recruit a permanent CEO. We also welcomed James Coppin as our shareholder appointed NED and we thank Emily Ashwell who left the Board during the year, for her commitment and expertise.

On behalf of the Board, I'd like to thank all OS employees, partners and customers for what has been an important year for Ordnance Survey.



Philippa Hird, Senior Independent Director
6 July 2022

CEO's statement

I'm pleased to reflect on a year where Ordnance Survey's public service commitments, commercial successes and business transformation have all accelerated. These achievements have placed us on a solid footing to continue delivering on our strategy of becoming a world leader in geospatial data and services and helping to show our customers and society how to get to a better place.

Revenues grew 5.2% in year with notably strong performances from our Leisure business and land and property data services. Our Commercial (non-UK government) revenues grew by 11% in year, clearly demonstrating the progress we are making in executing our strategy of diversifying our revenue base. Despite continuing global challenges, we maintained very high levels of customer service and satisfaction and made an important contribution to the government's ongoing response to managing the Covid crisis. As Covid travel and meeting restrictions have eased it has been a delight to spend more time meeting with customers, partners and OS colleagues.

Key Highlights

- At the peak of the Covid crisis, OS handled 600 data requests per second in support of Test and Trace and our OS Places API service provided 250 million address requests to enable the delivery of Covid home test kits.
- OS Maps digital subscriptions grew by 33% to 415,000.
- We were part of the consortium awarded a major contract to help build the new National Underground Asset Register (NUAR) - to help prevent accidental strikes costing the UK economy £1.2 billion a year.
- Our OS Partners community grew by 126% to 3,792 businesses.
- The OS Data Hub served over 1 billion data transactions and added 8,210 new customers.
- Our new Geospatial Production Platform enabled customer change requests to be action in 4 days vs 40 days. A 10 fold increase in performance.
- Our international business won major contracts in the Middle East and we successfully demonstrated our next generation capabilities by mapping the city of Lusaka in Zambia with cutting edge AI tools.

Investing for Long Term Success

As we emerge into the 'new normal' we remain very excited about the future and see a great deal of opportunity for OS to grow, both domestically and internationally, and deliver positive social and environmental impacts.

With a strong balance sheet and healthy cash flow, we took the decision to invest more aggressively in our people, core capabilities and new products and services. A strategy that we will continue to follow in 2022-23. This investment strategy has led to a decline in profitability compared to the prior year, but positions us well for the long term.

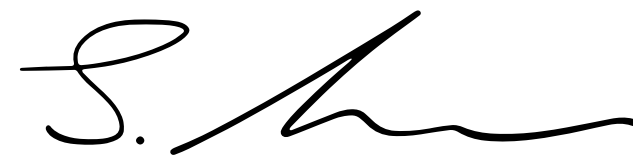
Our investment in people has many facets. We welcomed 282 new colleagues to OS this year and took advantage of new hybrid working practices to recruit across the whole of the UK. We launched a new Data and Technology Graduate Program, a new Data Academy and strengthened our Early Years Career Development program. Many of our new hires have been in data and technology, new product development and senior customer facing roles as we transform into a world leading geospatial business.

We have made significant investments in our core geospatial production systems, including next generation capabilities in data capture, data derivation, data access and data sharing. These investments have been providing us with immediate benefits in productivity, efficiency and new capabilities to support our UK government and commercial customers.

Sustainability at the core

Sustainability has become a core pillar of our business. We gained ISO14001 certification for our environmental management practices, have begun generating our own electricity from solar panels at our head office in Southampton, and are well on the way to converting our vehicle fleet to all electric. We are also exploring how OS can help our customers achieve their sustainability goals. We hosted a global gathering of geospatial agencies at our Cambridge Conference on the topic of managing climate change, participated in COP26 in Glasgow and plan to launch our first sustainability services this coming financial year.

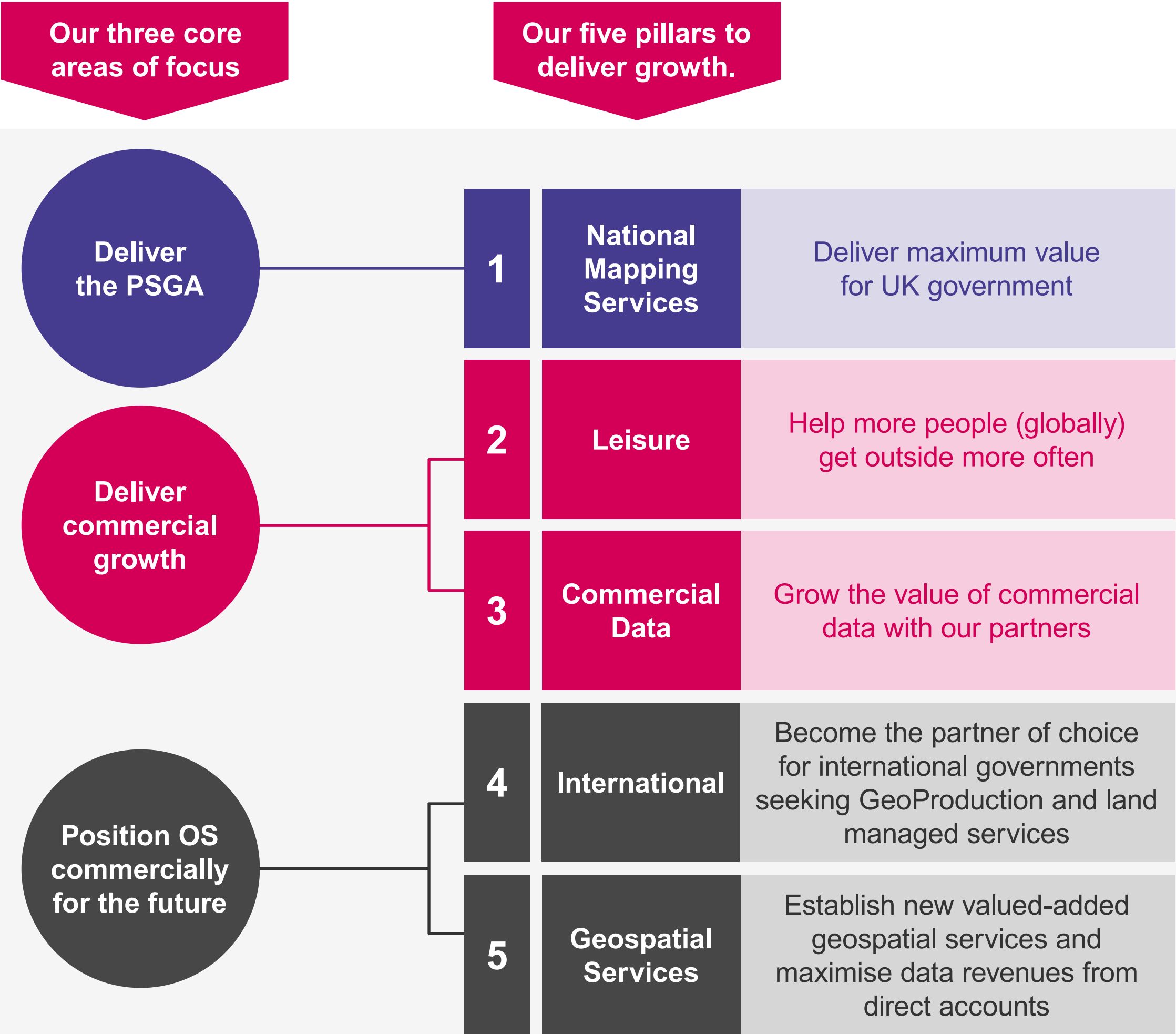
Finally, I'd like to thank all my OS colleagues, fellow Board members and OS Partners and suppliers for their passion, commitment and professionalism in what has been at times an often difficult but ultimately very rewarding year.



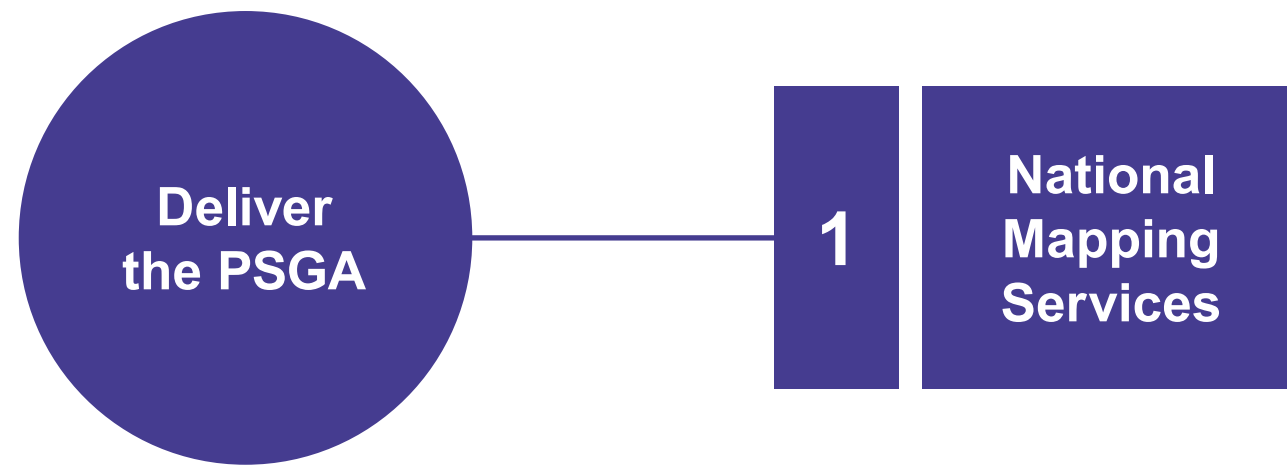
Stephen Lake, Interim Chief Executive Officer
6 July 2022

The strategy to deliver on our vision

The strategy has three core areas of focus, underpinned by five pillars to deliver growth.



Strategic report



78%

of Tier One* PSGA members surveyed responded with very satisfied and above.

*Tier One members include central government departments, agencies, local authorities, national parks, emergency services, and transport executives.

Delivering maximum value for UK government

The Public Sector Geospatial Agreement (PSGA) is the foundation of our national mapping services, for Great Britain. It provides access to OS location data and expertise for the public sector and the wider economy.

The second year of our largest contract, has continued to be a great success delivering significant value to the public sector.

PSGA membership grew to 5,836 members up 3.6% during the year. We have also seen excellent growth in the number of Premium Data orders, up by 22.2% for PSGA members, with a specific increase in Addressing product orders.

CRITICAL ENABLER FOR NHS TEST AND TRACE

At the peak of the Covid crisis, OS handled 600 data requests per second in support of Test and Trace and our OS Places API service provided 250 million address requests to enable the delivery of Covid home test kits. This helped to control the rate of reproduction, reduce the spread of the infection and save lives.



“Using the OS Places API meant we had much more accurate location data and the speed of updates has gone from months to hours.”

Jack Arnett, GIS Data Analyst & Consultant, NHS London Healthy Urban Development Unit

The OS Data Hub

The OS Data Hub is where customers access our data, and now has over 12,000 organisations and Open Data users signed up. This includes a 96% increase in public sector users, 57% increase in Partner organisations and 114% increase in Open Plan users over the last year.

We had 1.1 billion transactions across all PSGA APIs this year with OS Places API and OS Maps API being the most popular, underpinning and supporting the delivery of key government services.

Accessing and using OS data will go through another step-change in 2022 with new APIs and the launch of OS Select+Build, giving more options for customers to choose the data they want.

937.8m

Premium Data transactions.

260.7m

OpenData transactions.

8,210

new customers.

96%

increase in public sector organisations using the OS Data Hub.

DRIVING ELECTRIC VEHICLES TAKE-UP

To help embed geospatial expertise and data in the public sector, the Geospatial Commission funded a project for OS experts to work with data science teams across government organisations.

One of the participants was the Office for Zero Emission Vehicles (OZEV), who look at EV charging infrastructure roll-out across the UK.

The guidance provided by the OS expert, will result in a greater uptake of electric vehicles and consumers will have a wider range of options for planning journeys and making transport choices.

Becoming customer centric

We're investing in new ways for customers to interact with us. The customer experience is being enhanced with a new website and improvements to the way data is accessed via the OS Data Hub. We've enhanced our customer service centre with new live chat and virtual assistant capabilities.

Accelerating digital and data transformation

We've delivered significant technology investments in the last year. The most significant includes the largest upgrade to the geospatial production platform in a decade. The new platform, along with the forthcoming launch of OS Select and Build, will help deliver richer and up to date location data, including new ways to access OS data.

Data leadership

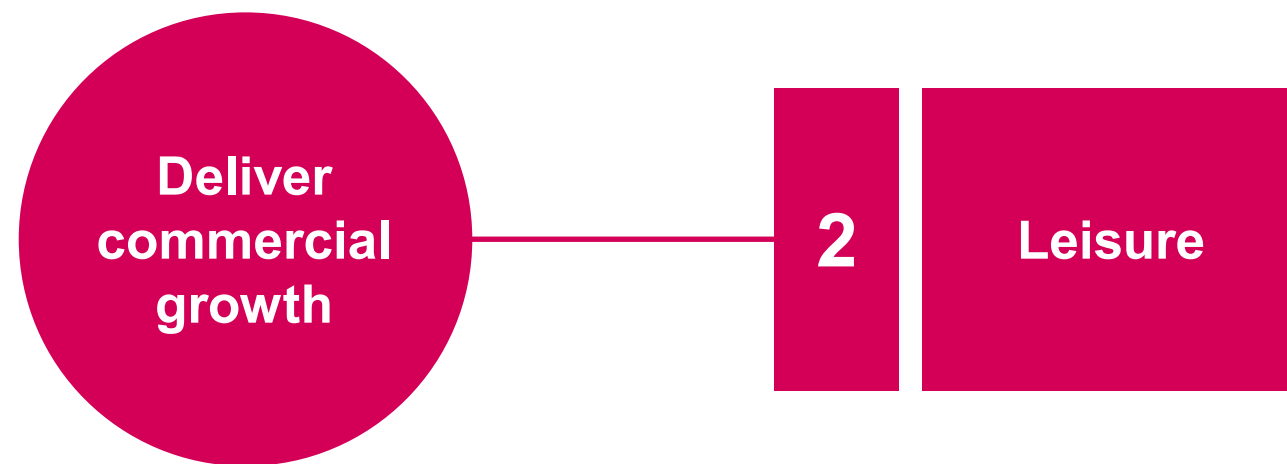
OS is recognised as experts in location data standards. Agreeing a common approach improves data integrity, quality and consistency leading to improved quality for customers.

We provide leadership on national and international standards including support for the development of international standards in API development further strengthening the OS Data Hub.

MAKING LOCATION MORE ACCESSIBLE

OS have led on the establishment of a UK Geospatial Data Standards Register, together with our partners at the Geospatial Commission, the GEO6 and the BSI. The register will maintain and promote an agreed portfolio of relevant and trusted geospatial data standards. This will bring a higher level of consistency to UK datasets, which in turn provides value to the data community by making location data more accessible, interoperable, and cost effective to use.

Addressing data is helping pinpoint customers for land and property, transport and logistics and financial services businesses. It also underpins a wide range of public sector services and property transactions.



Help more people get outside, more often

Our leisure business saw fantastic growth last year. OS Maps subscribers grew by 33% to over 415,000 and we continued the roll-out of the app in Australia and prepared a New Zealand launch.

We've also expanded our outdoor product offer including a new OS branded range and new options for custom made maps.

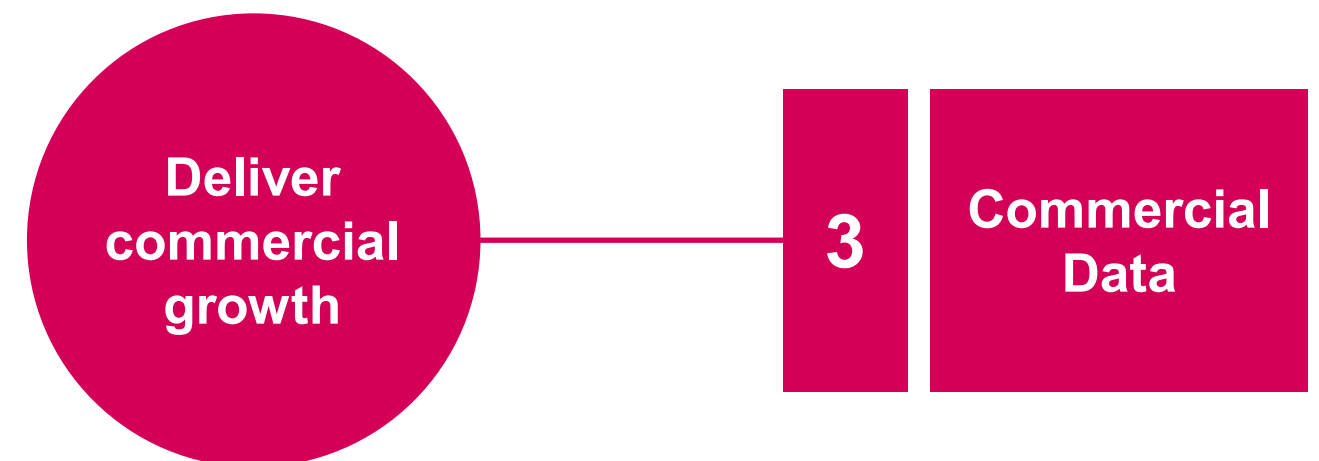
Significant customer experience improvements have been delivered with new features added to OS Maps and a new e-commerce platform.

We will continue our growth by expanding our physical range online, and via retailers and wholesalers. Internationally, we will launch OS Maps in more countries including the United States.

explore.osmaps.com

4.7 out of **5**
stars on the OS Maps app
in the Apple app store.

OS Maps users can now track and record their activities in the new 'My Activities' dashboard and create routes more easily from their favourite activities.



Grow the value of commercial data with our partners

OS Partners license OS data and build location-based products and solutions.

This diverse eco-system of businesses helps put valuable location data into every part of the British economy.

Revenue from the OS Partner channel grew by 7% in the year.

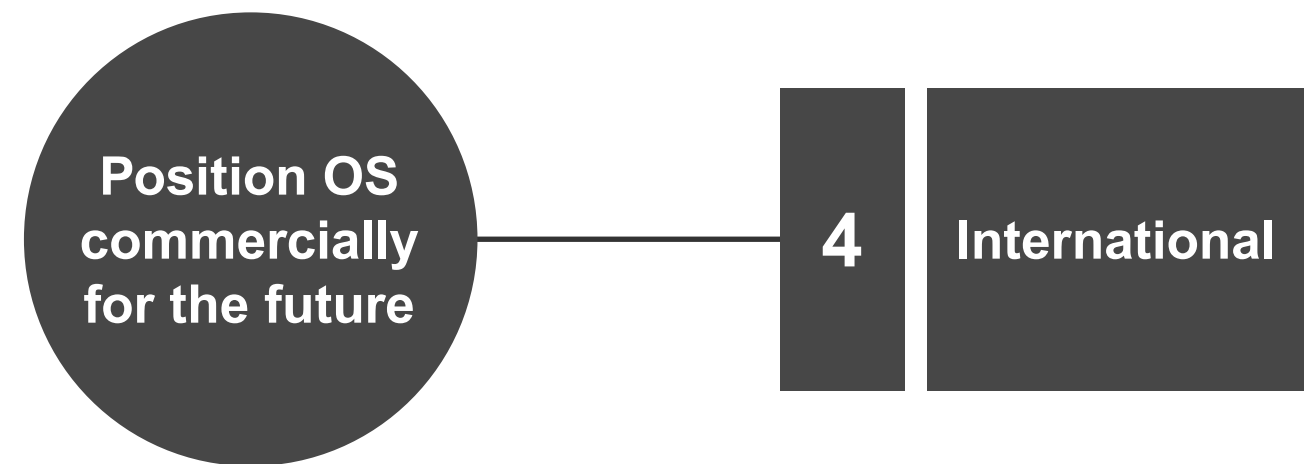
The significant increase in new business through the OS Partner channel has been driven by the demand for accurate addressing information.

Use of premium APIs via the OS Data Hub continues to grow with OS Maps API making up most transactions.

POWERFUL PROPERTY ANALYSIS

Property projects come with huge risks which is why PropertyData's powerful analytical tool is saving customers time and resource. Powered by OS data, the tool gives investors, developers and agents an accurate, real-world view of any given property.

126%
increase to 3,792
partner customers.



Becoming the partner of choice for international governments

Managed Land Solutions

This year we launched a new offer to international customers. Managed Land Solutions (MLS) gives countries a data platform to efficiently manage land and property, which is a key building block underpinning economic, environmental and social development. We're pleased to be launching this

service in 2022. This is a significant step in growing our international business.

Faster mapping using machine learning

OS developed a new way to produce maps quickly using machine learning techniques. The Lusaka, Zambia base map project involved training machines to label data and trace features such as buildings, roads and water.

With detailed maps, city planners are empowered to transform infrastructure, tackle urban poverty, and unlock safer, more sustainable cities.

SUPPORTING PIONEERING TECHNOLOGIES

The partnership between Dubai, a rapidly growing city, and OS's 200+ years of experience, presents a unique opportunity to build on the city's geospatial infrastructure. This will help accelerate the adoption of pioneering technologies in mobility, urban planning and infrastructure.

International engagement

Showcasing geospatial at COP26

OS's propositions and innovation team, showed how satellite data can monitor peat health from space at the UN's 26th Conference of the Parties (COP26) in Glasgow. This project was developed in partnership with Space4Climate, Assimila, and the University of Durham.

Peat is a critical carbon sink, therefore restoring and maintaining the health of UK's peatland, is a critical way to meet climate change challenges.

Mapping the health of peatland helps assess the efficacy of restoration and carbon sequestration projects. It will also be vital for enhancing and tracking commercial strategies to offset carbon emissions using peatland restoration, which is the next step for the project.

Global geospatial data leadership

OS plays a key role in leading international best practice through our participation in the United Nation's committee of experts on Global Geospatial Information Management.

Convening national mapping leaders

We were honoured to host geospatial leaders from around the world at this year's Cambridge Conference, focusing on how we could help apply our data to the very real challenges presented by our changing climate.

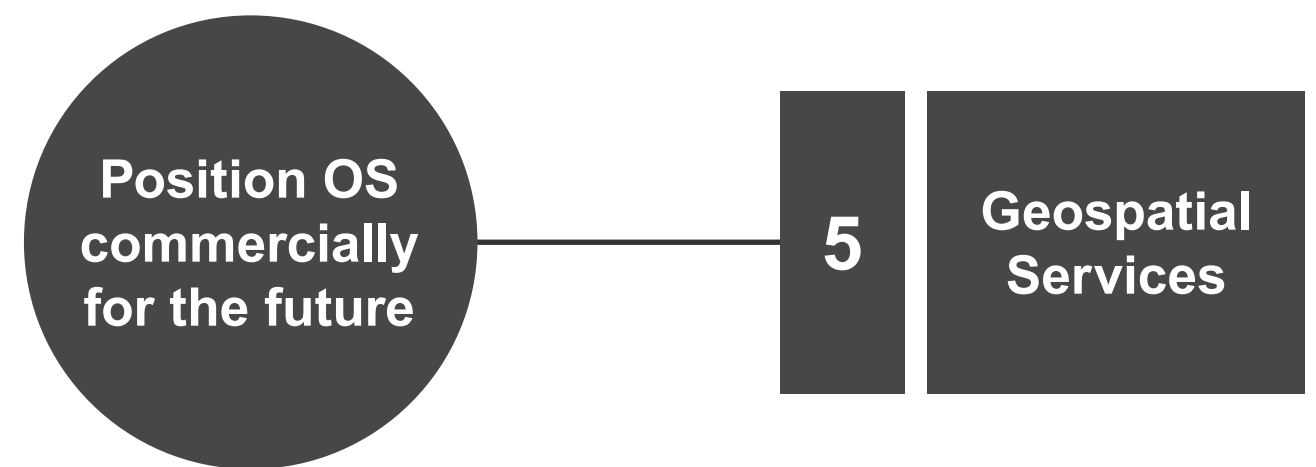
Over 35 nations were represented in Oxford and on-line, coming together to share experiences and common challenges over three days.

As a community of National Mapping and Geospatial Agencies (NMGAs), we took the opportunity to address climate action by publishing a set of recommendations to support government climate policy.

See Your Nation's Potential campaign

To inform international customers on how geospatial can unlock economic and societal benefit, we published a series of reports.

The 'See Your Nation's Potential' campaign shows the positive impact geospatial can deliver in tackling global challenges.



Establish new valued-added geospatial services and maximise data revenues

OS Connect provides location solutions to utility and telecoms customers. It combines our world-class location data, services and expertise, with best of breed alliance data and technology to help customers achieve their business priorities.

Helping customers improve:

Better asset management

Improved customer service

Driving operational efficiency

Achieving sustainability and net zero

Ensuring health, safety and security

The National Underground Asset Register

OS were proud to join a consortium of experts to build an underground map of UK's pipes and cables. The National Underground Asset Register (NUAR) funded by the Geospatial Commission, will improve efficiencies in construction and maintenance, reduce disruption to our roads and improve workers' safety.

Designing an efficient energy system

We delivered a proof of concept for a digital system map of Britain's electricity and gas networks. The project was commissioned by the Energy Networks Association to explore the planning and design of an efficient energy system. OS with partners 1Spatial, demonstrated how valuable data with security and commercial sensitivities could be managed securely.

Monitoring and mapping urban heat

We collaborated on a project for the UK Space Agency showing how satellite imagery combined with location data can provide insights to manage extreme heat events.

Investing in British innovation

£116 million raised by
137 start-ups supported
by Geovation.

Geovation, from Ordnance Survey, is dedicated to driving innovation in the economy, by running Innovation Challenges and an award-winning Accelerator Programme to propel the growth of location based start-ups.

Key start-up achievements over the past year

- **Flock** became the first Geovation venture that Ordnance Survey exercised a share option to acquire equity. Flock recently raised \$17M in funding to supercharge its expansion.
- **LandTech** secured £42 Million funding, Geovation supported them in their start-up phase.
- **Skyroom** launched a £100 million ESG Fund to accelerate the delivery of affordable homes for keyworkers using sites already in the ownership of London's major landowners.

- **Dataminr** acquired WatchKeeper this year, this was Dataminr's first ever acquisition. Watchkeeper joined Geovation's 8th cohort in April 2019.
- **ProxyAddress** were named as one of TIME's Best Inventions of 2021. ProxyAddress were on our Accelerator Programme in 2017.
- **Carbon Co-op** won the Ashden Award at COP26 climate summit for Green Skills for their work on People Powered Retrofit service. Carbon Co-op were a Geovation Challenge winner in 2014.

Geovation, from Ordnance Survey

Accelerator of the year

Go:Tech Awards.

INNOVATING EV CHARGING

Paua is on a mission to streamline public EV charging, aggregating all charging points in the UK into one platform. OS collaborated closely with Paua to open new opportunities for their start-up to grow by exploring the best practices of EV charging and collating data around charging points. Putting OS and Paua at the forefront of innovation in the EV charging ecosystem.

ACCELERATING AI IN PROPERTY

HomeFinder is an online marketplace, transforming the way people search for new homes and developments in London.

Equity-free grant funding and access to industry experts through the Accelerator was invaluable in helping to kickstart HomeFinder.

They're currently building a portal using deep learning technology to find homes for buyers, demonstrating HomeFinder and OS as accelerating the use of artificial intelligence in the property industry.

Our culture

Our people are OS

Our purpose, vision, and strategy come together in our people, with our values informing how we work, who we hire and how we operate as a business.

We aim to ensure every person feels they belong in an environment that enables them to do extraordinary work. We're doing this by fostering an inclusive culture, where diversity is viewed as a strength.

Wellbeing at OS

Our Wellbeing Hub and Employee Assistance Programme provide a range of activities and tools to navigate change, build resilience, and support the behavioural shift required to enable our colleagues to embrace hybrid working.

We've also embedded wellbeing into our leadership development programme, the 'Six Great Things.' We focused on leaders connecting and building trust with their team, giving them the tools, confidence, and capability to have wellbeing discussions, as part of their check-in conversations.

Growing our capability

We're growing our skills and expertise with 282 new joiners and 127 internal moves and promotions, plus the addition of learning and development opportunities, and a mentoring framework.

To unleash the collective power of brilliant leadership, over 300 of our people leaders have engaged with our leadership development programme.

The first phase of our learning strategy was launched to focus on driving growth at an individual, team, and organisational level. As we head into 2022 our focus will turn to optimising our technical capability aligned to our workforce plan.

282
new joiners.

300+
people leaders engaged with our
leadership development programme.



Inclusion

We strengthened the voice of our network groups at Board level through Executive level sponsorship and established an ethnic minority network group. Even though representation from this community has doubled in the past 12 months, we still have work to do.

Our LGBTQ+, Disability, and Women's Development Network groups have continued to drive awareness and provide a safe space for people to connect. During 2022 our focus will turn to the development and roll-out of an allyship programme to equip our people with the confidence, capability, and understanding to drive inclusion and provide a deep sense of psychological safety.

The March 2022 engagement pulse survey tells us that our areas of strength include communicating with employees, helping employees understand how their work contributes to OS's success, and what's expected of them in their role.

We continued the popular 'Ask Me Anything' sessions, where members of our Executive Board held open chat sessions on topics to include hybrid working and pay and reward. Alongside this we continue to maintain positive and constructive relationships with both the PCS and Prospect Trade Unions. Their support and engagement in establishing hybrid working was key.

Giving back to our communities

Our corporate charity partner is the Rose Road Foundation, who make a positive difference to the lives of young people with disabilities. This year we've raised £18,338, bringing the overall total since 2020 to £35,673, helping 341 families receive the care and support they need.

The fundraising activities have included skydiving, quizzes, cake sales, and sweepstakes.

Employees organising their own fundraising activities can request up to £100 match funding. We have funded 24 colleagues who have raised £16,184 for charities including Alzheimer's Society, Movember, MacMillan Cancer Support, and Breast Cancer UK. Our field colleagues raised over £2,500 for Mind UK.

Our colleagues have been supporting local communities by using their volunteer days. In total, 305 people gave 2,280 hours: in beach cleans, food banks, supporting our charity partner Rose Road with gardening, painting, and upcycling; and visiting In2University and talking to students about geography.

Please note: *This page is intentionally blank.*

£18,338

raised for our charity partner
the Rose Road Foundation.

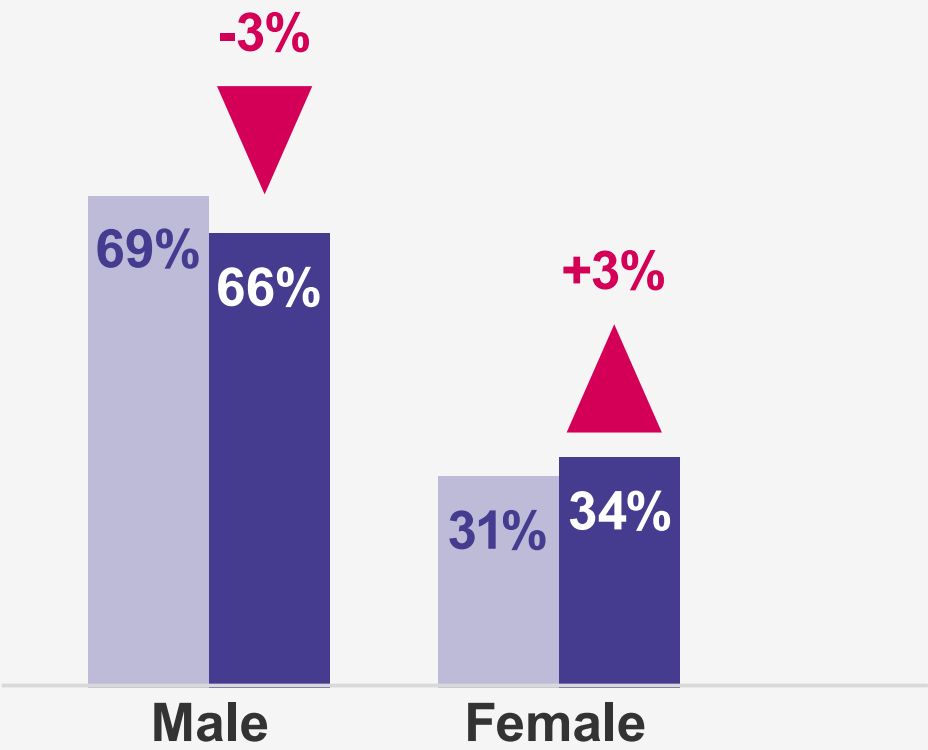
Gender and career level breakdown

The table below provides a breakdown of employees by career level and gender as at 31 March 2022. We are addressing the gender imbalance by promoting a culture where everyone feels welcome and valued, including in recruitment and leadership coaching.

	31 March 2022			31 March 2021		
	Male	Female	Total	Male	Female	Total
Career Level						
Non Executive	3	2	5	4	3	7
Executive Leadership Team	7	3	10	9	3	12
Heads	11	3	14	10	3	13
Senior Managers/Professionals	92	33	125	95	30	125
Other roles	771	400	1,171	735	369	1,104
Total	884	441	1,325	853	408	1,261

Gender

Employee gender mix April 2021 vs April 2022.



Attrition

	March 2022	March 2021
Annualised attrition	12.7%	8.7%

Annualised attrition has increased 46% in the 12 months to March 22. The market continues to be challenging, notably with high competition for Digital, Data and Technology (DDAT) roles.

Employee sickness absence

We monitor employee sickness absence and return-to-work interviews are held to ensure appropriate support or adjustments can be offered. We also reference external benchmarks to understand how our levels of sickness compare within similar UK organisations. This has been challenging for both 2020 and 2021 as the Covid-19 pandemic has impacted sickness absence data. While the virus may have led to additional sickness absence, measures such as social distancing, shielding and increased homeworking have impacted other causes of absence. Sickness was low during the pandemic lockdowns and we've since seen a return to pre-pandemic levels. In addition we've seen an increase in Covid-19 related absences.

Employee sickness absence	Total days lost due to sickness	Average sickness days lost per employee
2021-22 total	7,436	5.6
Non-Covid-19 related absences	6,413	4.8
Covid-19 related absences	1,023	0.8
2020-21	4,724	3.75
2019-20	6,100	5.2

Off-payroll engagements and consultancy

We disclose all off-payroll engagements which exceed six months and £245 per day. We use the services of contractors provided by third-party organisations to cope with peaks of demand on resources. Off-payroll engagements are managed in compliance with IR35 legislation.

As at 31 March 2022, off-payroll engagements for more than £245 per day and that last for more than six months are as follows:

	31 March 2022	31 March 2021
Number of existing engagements as at date	42	41
Number that have existed for less than one year at time of reporting	16	14
Number that have existed for between one and two years at time of reporting	12	24
Number that have existed for between two and three years at time of reporting	11	2
Number that have existed for between three and four years at time of reporting	3	1

	31 March 2022	31 March 2021
Number assessed as relevant to IR35	0	0
Number assessed as not relevant to IR35	42	41
Number engaged directly and are on payroll	0	0
Number of engagements reassessed for consistency/assurance purposes during the year	42	41

	31 March 2022	31 March 2021
Number of off-payroll engagements of Board members and/or senior officials with significant financial responsibility through the financial year	0	0
Number of individuals on payroll and off-payroll that have been deemed Board members, and/or senior officials with significant financial responsibility, during the financial year	22	18

Spend on consultancy

	31 March 2022	31 March 2021
Consultancy expenditure	885	865

Employee engagement survey

We undertake quarterly engagement surveys for all employees hosted by Glint. Our employee engagement score for 2021-22 was 66 (2020-21 74). Employee engagement score measures how our employees feel about life at Ordnance Survey on a range from 0-100. We've seen a drop from 74 in 2020-21 where engagement was high, because of the support and communications OS put in place at the onset of the pandemic. In 2021-22 as lockdowns progressed we saw hybrid working fatigue and a pay freeze from April 2021. Looking ahead, we have a new leadership team in place who are focussed on driving a culture where our people feel purposeful, stimulated and empowered.

Financial highlights

Revenue £182.3 million (2020-21: £173.3 million)	PBIT² £29.1 million, (2020-21: £30.0 million)
Cost of sales £32.4 million (2020-21: £31.6 million)	Corporation tax £5.6 million (2020-21: £5.9 million)
Operating costs (excluding depreciation, amortisation & impairment) £109.7 million (2020-21: £100.0 million)	Profit attributable to owners of the Company £23.6 million (2020-21: £24.5 million)
EBITDA¹ £50.2 million (2020-21: £52.6 million)	Dividend £52.8 million (2020-21: £19.1 million)
Depreciation, amortisation & impairment £21.1 million (2020-21: £22.6 million)	Net assets £128.3 million (2020-21: £157.7 million)

¹EBITDA is earnings before interest, tax, depreciation and amortisation as a percentage of revenue.

²PBIT is profit before interest and tax.

5.2%
overall revenue
growth.

Revenue

Total revenue comprises both trading revenue and other operating activities. Overall revenue growth of 5.2% was driven primarily by the leisure business which saw strong growth from our digital subscription service OS Maps, as well as our paper maps. Commercial data sales to OS Partners also contributed to revenue growth.

Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)

Despite the top line growth, EBITDA declined by (£2.4m) year on year following continued investment and growth in our people, as well as continuing to build our underlying infrastructure, geospatial capabilities, and products and services that will benefit us in future years.

Profit Before Interest and Tax (PBIT)

Combining EBITDA, lower amortisation costs, with a slight reduction in profit share from GeoPlace led to a PBIT outturn of £29.1m (2020–21: £30.0m).

Dividends

In March 2022, we declared a final dividend to our shareholder, the Secretary of State for Business, Energy and Industrial Strategy, of £52.8m (2020–21 £19.1m). This comprises £12.8 million in line with the dividend policy in the Shareholder Framework Document, to declare annual dividends of 50% profit after tax, and an additional dividend amount of £40.0 million from our cash reserves as a further contribution to the public finances in 2021–22, in light of the Government’s economic response to Covid-19. A mechanism has been agreed with the Board to determine the extent of the dividend affordability in any given year.

Net Promoter Score

We have seen a strong increase in our net promoter score which closed the year at +36, up from +27 in the prior year, because of significant improvements across both service and digital experience in all three customer segments.

Statement of financial position

Cash

We generated a net cash inflow of £30.3m (2020–21 £53.9m) from operating activities during the year and a further £9.1m (2020–21 £9.8m) received from joint ventures. Our capital expenditure programme of £30.1m (2020–21 £25.6m) included the investment in infrastructure and our geospatial production system, as we continually invest in ways to best serve our customers.

Non-current assets

Our non-current assets are principally:

Explorer House: Our Head Office in Southampton.

Assets under construction: Comprises development activity supporting our commercial strategy as well as development of corporate systems and infrastructure.

Geospatial Database Management System: This is the repository for all data content from which all products are derived.

Group entities

In support of Ordnance Survey's strategic goals, Ordnance Survey operates and holds investments in the following subsidiaries and shared ownership entities.

100% subsidiaries

Ordnance Survey Leisure Limited (OSL)

OSL provides a direct retail offer to consumers who prefer to purchase Ordnance Survey products and services online. Total revenue of £11.9m (2020-21 £9.3m) and PBIT of £4.3m (2020-21 £3.7m), both reflecting continued consumer migration to online purchasing during the year. 2021-22 highlights of the business are outlined in the Leisure section on pages 32-33.

Ordnance Survey International Services Limited (OSI)

OSI is our international business, which aims to leverage our world leading reputation in the geospatial industry and sell our expertise to government agencies in other countries (The business is included within International as outlined on pages 35-38). OSI generated revenue of £1.4m (2020-21 £1.1m) and a loss of £1.1m (2020-21 £0.9m).

Shared ownership entities

GeoPlace LLP (GeoPlace)

GeoPlace is a 50:50 joint venture with the Local Government Association, responsible for collating, managing and maintaining the primary UK authoritative geospatial address and street data, which are licensed to customers via Ordnance Survey. GeoPlace generated a profit share return of £8.9m (2020-21 £9.5m), and £9.1m in cash was returned to the Company during the year (2020-21 £9.8m).

PointX Limited (PointX)

PointX® is a 50% joint venture with Landmark Information Group®. PointX provides national location information for UK businesses, government, local authorities, emergency services and the commercial sector. During the year PointX generated a profit share of £0.1m (2020-21 £0.1m) and a dividend of £0.1m (2020-21 £0.1m) was paid to the Company.

Dennis Maps Limited

The Company took a 25% share of Dennis Maps Limited in December 2016. The Group share of profit generated in year is £0.1m (2020-21 £nil). The main objective of the investment is for the Group to secure the supply of OS paper maps. In addition, we will develop new strategies and explore future innovations and technological advances within the printing and mapping industry.

Astigan Limited (Astigan)

In 2019-20 the Group decided to wind down the project as the Board no longer believed it could generate a positive return on investment relative to the risk involved. The investment is fully impaired in the Company accounts and the company was struck off post year end.

Key performance indicators

The Group key performance indicators are the primary measures the Board use to monitor the Group’s performance. These KPIs are key to assessing the current performance of the business as well as being a lead indicator on future performance.

	2021–22	2020–21
Revenue	£182.3m	£173.3m
EBITDA	£50.2m	£52.6m
Free cash flow	£10.8m	£35.9m
Net Promoter Score	36	27

Revenue – is the total consolidated Group revenue recognised on the statement of profit or loss.

EBITDA – defined as earnings before interest, tax, depreciation and amortisation as a percentage of revenue.

Free cash flow – defined as total net cash flow with dividend added back.

Net Promoter Score – is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company’s products or services to others. It’s used as a proxy for gauging the customer’s overall satisfaction with a company’s product or service and the customer’s loyalty to the brand.

Sustainability committee report

Sustainability

This year we've strengthened our commitment to deliver sustainability initiatives across our products, services and operations.

It's important to our people, customers and stakeholders that we make a positive impact and help society decarbonise.

Powering head office with clean energy

Our Explorer House was originally built to BREEAM Excellent Standard and since that time we have continued to invest in the building to maintain and improve our environmental impact. A highly anticipated and exciting step for our employees has been the installation of solar PV panels at Explorer House. This on-site electricity generation project was completed at the end of March 2022.

During the year we installed 30 EV charging points at our head office with further charging points to be installed in the visitor car park.

Another energy efficiency initiative at head office during the year, was the installation of LED lighting, with motion detection and responsive natural light levels. We expect to see a 75% reduction in electricity for lighting as result. The project was funded by a grant from the Government Property Agency. OS has engaged with proactive suppliers such as Thorlux who have offset the emissions from the LED manufacturing by planting more than 2,000 trees.

New Environmental Management System

A key highlight has been the development and certification of our Environmental Management System (EMS). In August 2021 OS achieved ISO 14001 certification by BSI under certificate number EMS 741488. The EMS, a critical tool for ensuring a strong commitment to continual improvement and a robust review process, includes the management of interested parties. This structure has supported OS in working with the Government Property Agency (GPA).

A sustainable supply chain

Ensuring sustainability is embedded in our procurement process is critical, which is why we've built sustainability questions as standard into our tendering documentation, and our Supplier Due Diligence Questionnaire. When possible, we use Government Framework contracts where Greening Government Commitments are in place.

400

rooftop solar PV
panels installed.

4360

luminaires replaced
with LEDs.

Engaging our people

Employees are getting involved with sustainability at OS through the Sustainability Action Team (SAT), an open, voluntary, employee led group aimed at delivering powerful local initiatives. We've also put in place new governance to steer and act on sustainability, including the Sustainability Steering Committee.

Over the past year, the Sustainability Action Team have been excited to deliver biodiversity projects on-site at Explorer House, and create resources to help our dispersed workforce bolster biodiversity at home.

OS plans to conduct a professional ecology survey to determine the best next actions to take, and to record a baseline to compare against. More employees have been able to participate in on-site initiatives due to increased occupancy of Explorer House by approximately 75%. Subsequently, and due to eased Covid-19 restrictions which have allowed activities which were previously prohibited in line with Government advice, OS has seen an increase in waste, travel, paper, gas and water. All of these measures however continue to demonstrate considerable reduction against pre-pandemic levels.

Greenhouse gas emissions*

Absolute metrics

	Scope/emission/energy use	2021-22	2020-21	2019-20
Non-financial indicators (tCO2e)	Total Scope 1 emissions (gas, fuel for fleet cars and fugitive emissions from air chillers)	590.9	438.6	684.1
	Total Scope 2 emissions (off-site electricity generation for E.H)	**287.1	910.2	1,156.9
	Total Scope 3 emissions (transmission loss of electricity)	72.8	78.3	98.2
	Total emissions attributed to electricity consumption (Scope 2 and 3)	359.9	988.5	1,255.1
	Emissions attributable to Scope 3 official business travel (rail, taxi, air, underground)	277.5	89.7	802.7
	Emissions attributable to Scope 3 Managed Assets (Gloucester Data Centre, inc. fugitive emissions and electricity consumption)	91.8	123.2	152.0
	Emissions attributable to Scope 3 Managed Assets (Cessna surveying aircraft)	305.8	350.8	304.9
	Total emissions (all scopes)	1,625.9	1,990.9	3,198.7

Absolute metrics

	Scope/emission/energy use	2021-22	2020-21	2019-20
Self generated energy consumption (kWhth)	Heat from renewable sources (Ground source heat pump) - Scope 1	1,064,200	1,067,200	1,084,100
Related purchased energy consumption (kWh)	Electricity (Mains 'Green' Tariff - E.H. , G.D.C. & Dennis Maps)	4,364,453	4,474,224	5,074,209
	Gas (E.H. & Dennis Maps)	608,761	548,552	379,039
	Total kWh consumption	4,973,214	5,022,776	5,453,248
Financial Indicators (£)	Expenditure on Energy (Gas, Electricity, Company vehicle fuel, GDC electricity, Cessna fuel)	£899,229	£768,124	£975,238
	Expenditure on CRC (including fees and allowance)	—	—	£28,665
	Expenditure on official business travel (rail, hire cars, taxis, air, vehicle leasing)	£1,912,466	£1,466,798	£2,183,198
	Total expenditure on energy, CRC and official business travel	£2,811,695	£2,234,922	£3,187,101

**The methodology has been based using a market-based conversion factor following transition to REGO backed tariffs in 2021. The reported figures for 2019-20 and 2020-21 would remain unchanged under a location-based conversion factor. For 2021-22 the location-based emissions would be 822.1 tCO₂e.

The Government Greenhouse Gas reporting conversion factors 2021 have been used to calculate carbon dioxide equivalent figures presented with the exception of where alternative conversion factors have been supplied for the specific tariff we are on. This has been represented as the market-based Scope 2 emissions.

Normalised metrics

	Asset	2021-22	2020-21	2019-20
kWh/m²	Explorer House	287.9	287.0	312.1
tCO2e/FTE	Explorer House	0.98	1.07	1.29
kWh/m²	Gloucester Data Centre	1814	2,223	2,502
g CO2e/km travelled	Company vehicle mileage (kilometres)	135.5	152.8	155.3
g CO2e/km travelled	Hire vehicles mileage (kilometres)	76.2	76.1	161.8
Number of instances	Domestic flights (No.)	101	20	281
kg CO2e/ passenger-flight	Domestic flights	129.2	112.9	198.8
kg CO2e/ passenger-flight	Short-haul flights	251.9	156.5	281.7
kg CO2e/ passenger-flight	Long-haul flights	939.1	1367.5	1864.3
kg CO2e per journey	Domestic rail travel	10.0	14.1	9.6

All emissions relate to energy consumed in the UK with the exception of long haul flights.

*The figures reported to DEFRA for the purpose of the Greening Government Commitments Annual Report is materially consistent to those reported above.

Energy

This financial year has seen a continued reduction in electricity usage at Explorer House despite an increase in occupancy, largely due to the energy efficiency projects which have been undertaken. Gas has increased due to cold weather combined with a fault with the Ground Source Heat Pump in the winter which caused the gas boiler to fire unnecessarily. Explorer House has been supplied by a Renewable Energy Guarantees of Origin (REGO) certificates backed renewable tariff since July 2021 and will be supplied by a Green Gas tariff from 01 April 2022, which will be backed by Renewable Gas Guarantees of Origin (RGGO) certificates.

2%

**Electricity reduction
(against 2020-21)**

11%

**Gas increase
(against 2020-21)**

The Ordnance Survey fleet

Ordnance Survey continue to progress in the transition to an ultra-low emissions vehicle (ULEV) fleet, with 76% of fleet users having ordered their battery electric vehicle (BEV) or plug-in hybrid electric vehicle (PHEV), and with 42% of fleet users actively using their ULEV. The impact of this can already be seen by the reduced rate of emissions against mileage. This year mileage has increased by 62% due to eased restrictions and increased work-load, however emissions have comparatively only increased by 44%. We are supporting this change with the installation of 30 charging points at our head office with further charging points to be installed in the visitor car park. Therefore we expect to see further emissions benefits as the transition continues.

30

**Electric vehicle
chargers installed**

62%

**Increased
business mileage
(against 2020-21)**

44%

**Increased business
emissions (against
2020-21)**

Financial breakdown of business travel (£)

Asset	2021-22	2020-21	2019-2020
Company vehicle lease	£1,209,148	£1,162,031	£1,164,560
Company vehicle fuel costs	£231,678	£139,508	£239,231
Hire car costs	£265,268	£141,182	£103,543
Domestic Rail Travel (including underground)	£62,374	£6,333	£257,739
Domestic Flights	£13,182	£2,988	£49,375
Short Haul Flights	£7,789	£2,286	£44,681
Long Haul Flights	£116,546	£10,693	£297,412
Domestic Taxis	£6,480	£1,776	£26,657
Total	£1,912,465	£1,466,797	£2,183,198

Air and rail travel

Ordnance Survey has seen an increase in business travel in accordance with the easing of Covid-19 restrictions. International business growth is a key area of focus, and tools such as extended stays abroad, and telecommuting where possible are being implemented to reduce the impact of business travel. OS employees are asked within the Expenses Policy to take a rail journey over a flight wherever this is feasible.

A trial to share data capture within Remote Sensing Services (RSS) throughout the past year has led to the saving of 70.45 tonnes CO₂e. RSS are also actively researching opportunities for utilising lower emissions fuel options, such as biofuel, for the aircraft used.

	Covid-19 representation (against 2020-21)	Pre Covid-19 representation (against 2019-20)
Domestic flights	81 increase	180 reduction
International flights	156 increase	342 reduction
Domestic rail travel	925 increase	3324 reduction

Finite resources consumption - water and paper procured

Absolute metrics			2021-22	2020-21	2019-20
Non-financial indicators (m³)	Water consumed (m³)	Mains water supply (Scope 2)	1,936	972	4,573
		Harvested rainwater used (Scope 1)	455	463	1,456
		Mains water tCO ₂ e	0.7	0.3	1.6
	Tonnes CO ₂ e	Waste water tCO ₂ e	1.7	1.0	4.3
		Total tCO ₂ e	2.4	1.4	5.8
		Total consumption in m³	2,391	1,435	6,029
Normalised metrics	Water consumed (m³)	Mains water supply per FTE	1.95	0.98	4.61
		Harvested rainwater used per FTE	0.46	0.47	1.47
		Total consumption per FTE	2.41	1.45	6.08
Absolute metrics	Paper procured (tonnes)	Procurement (through Banner GGC)	0.05	0.1	1.06
		Procurement through FM contractor	2.51	1.72	2.4
		Total paper procured	2.56	1.82	3.47
Financial indicators (£)	Water consumed (£)	Mains water supply & treatment	£7,314	£3,692	£18,026
		Used harvested rainwater treatment	£1,023	£1,067	£3,560
			Total water supply and treatment	£8,337	£4,759

Waste

Overall waste produced increased partly due to increased building occupancy and works undertaken to clear the building of redundant items as part of the move to hybrid working. Despite the overall increase, we have seen a reduction in the amount of residual waste to landfill, as well as a reduction in waste composted. This is due to initiatives introduced to minimise food waste, as well as due to periods of lockdown where the catering provision was reduced, and hot food not offered. Looking ahead, OS will be shortly running a waste campaign to ensure new the bin signage and systems at Explorer House are used effectively.

54%
Recycled or reused

1.2%
Residual to landfill

39%
Incinerated (energy recovery)

Absolute metrics

			2021-22	2020-21	2019-20
Non-financial indicators (tonnes)	Total waste arisings (tonnes)		50.71	29.75	69.20
	Non-hazardous waste	Waste recycled/reused (excludes ICT)	23.58	12.01	25.61
		ICT equipment reused/recycled externally	3.56	—	2.95
		Waste composted	0.79	2.94	7.17
		Toner cartridges (recycled)	0.26	0.26	0.26
		Waste sent to incinerator (energy recovery)	19.98	11.9	28.58
		Residual waste sent to landfill	0.62	1.58	4.15
		HCFC equipment (fridges etc.)	—	—	0.38
		Fluorescent lamps (recycled)	—	1.01	—
		Sanitary waste (not recycled)	0.06	0.06	0.06
		WEEE (including batteries)	1.87	—	0.04
		Engine oil	—	—	—
Total disposal costs (£)		£25,903	£20,052	£25,370	

Absolute metrics

			2021-22	2020-21	2019-20
Financial indicators (£)	Non-hazardous waste	Total non-hazardous waste costs	£20,762	£15,787	£20,549
		Waste recycled/reused	£16,342	£14,330	£16,347
		ICT equipment reused/recycled externally	£1,282	—	£2,113
		Toner cartridges (recycled)	£616	£114	£114
		Waste composted/anaerobic digestion	£817	£933	£1,057
		General waste skips	£1,705	£410	£1,616
		Waste sent to incinerator (energy recovery)	*	*	*
		Residual waste sent to landfill	*	*	*
		Metal waste	—	—	£140
	Hazardous waste	Total hazardous waste costs	£5,141	£4,265	£4,820
		HCFC equipment (fridges etc.)	—	—	£398
		Fluorescent lamps (recycled)	—	£251	—
		Sanitary waste (not recycled)	£3,698	£4,014	£3,698
		WEEE (including batteries)	£1,442	—	£723
		Engine oil	—	—	—

*Included in total waste cost

Our governance

Company status and shareholding

Ordnance Survey Limited is a private company whose sole shareholder is the Secretary of State for Business, Energy, and Industrial Strategy (BEIS) on behalf of HM Government. UK Government Investments Limited (UKGI) act as the Shareholder Representative, advising the Secretary of State on the management of their shareholder interest, and a UKGI representative sits on the Ordnance Survey Board as Shareholder Director. As a wholly owned government company, Ordnance Survey is classified as “public corporation” meaning it operates as a trading body controlled by central government with substantial day-to-day operating independence.

Department
for Business,
Energy and
Industrial
Strategy (BEIS)

UK Government
Investments
Limited (UKGI)

Ordnance
Survey



Ordnance Survey structure

Ordnance Survey Board has responsibility for long-term strategy and vision; monitoring the external business environment; and challenging performance to ensure the strategy remains relevant and effective. It also establishes that the company purpose, vision, values and culture are aligned.

Accountable Person and Chief Executive Officer is responsible for day-to-day leadership and proper, effective, and efficient use of public funds plus stewardship of Ordnance Survey resources.

Executive Committee (ExCom) is the Senior Executive team, led by the Chief Executive Officer, responsible for leading delivery and development of Strategic Plan and budget, including assessing and managing strategic and operational risks to the achievement of objectives.

Audit and Risk Committee (OSARC) has responsibility for the independent appraisal of the Company's control environment, financial reporting, risk management and effectiveness of corporate governance, and for providing advice and challenge on company risks.

Remuneration Committee develops the Company's Remuneration Policy and approves Director and designated senior executive remuneration in line with the policy. See page 136.

Nomination Committee reviews the structure, size, and composition of the Board, and making candidate recommendations for approval to fill Board vacancies.

Pension Committee monitors operation of the OS Horizon, OS Group Life Scheme, and Civil Service Pension Schemes.

Governance statement

The governance statement outlines the control structure, explains how OS has complied with the principles of good governance and reviews the effectiveness of its governance arrangements.

UK Corporate Governance Code

Ordnance Survey Limited is a private company limited by shares and wholly owned by the Secretary of State for Business, Energy, and Industrial Strategy on behalf of HM Government. The Shareholder Framework Document requires Ordnance Survey Limited to operate corporate governance arrangements that accord with corporate governance best practice. The Board believes in strong governance and recognises the value of the 2018 UK Corporate Governance Code and therefore where possible it aligns its governance processes and arrangements with the best practices outlined in its principles and provisions.

Board effectiveness

In July 2021 the Board reviewed and discussed the results of the Self-Assessment review carried out during 2020-21.

An independent Board effectiveness review was not completed during 2021-22 as originally intended but following the appointment of Stephen Lake as Chair on 9 March 2022, an independent Board effectiveness review (including the main committees) will be undertaken in the first half of 2022-23.

The Chair of OSARC provides the OS Board and CEO with an annual report on the effectiveness of the Committee in discharging its responsibilities.

Managing conflicts of interest

The Board agrees and documents an appropriate system to record and manage actual and potential conflicts of interest.

Shareholder framework document

The Ordnance Survey Shareholder Framework Document (SFD), sets out the relationship between the Company, BEIS as the Shareholder, and UK Government Investments as the Shareholder Representative. The Board operate the company in accordance with the SFD and it details the Company's core responsibilities to the Shareholder and describes the Company's overall governance and accountability framework. The SFD also sets out how the day-to-day relationship works in practice.

[Read the full shareholder framework document](#)

The SFD includes a statement of the Company's Strategic Objectives; to provide world-leading geospatial services and data in the UK and internationally, which involves delivery of the Public Task as required under the PSGA. The Strategic Objectives also include operating as a sustainably profitable commercial organisation, on a self-financing basis, with the aim of decreasing the net cost to the public sector of the Company.

Geospatial Commission

The Geospatial Commission, was established in 2018 as an independent, expert committee responsible for setting the UK's geospatial strategy and coordinating public sector geospatial activity.

Its aim is to unlock the significant economic, social, and environmental opportunities offered by location data and to boost the UK's global geospatial expertise.

Ordnance Survey supports the Geospatial Commission in its role to provide strategic oversight of the UK's geospatial ecosystem.

The Commission has a mandate and budget to drive and deliver changes by working in partnership with others to:

- **Provide strategic oversight** of the geospatial ecosystem in the UK, setting geospatial strategy, policy and standards.
- **Hold the budget** for the public sector's largest investment in geospatial data.
- **Make targeted investments** in data projects that accelerate innovation and adoption of geospatial data applications.

There are six formal Partner Bodies (Geo6)

The commission has a formal relationship with six, core ‘partner bodies’ (the Geo6). The partner bodies are:



Attendance at Board and Committee meetings in 2021-22 was as follows:

Board and Committee Composition and Attendance	Committee Membership	Ordnance Survey Board	OSARC	Remuneration Committee	Nomination Committee	Pensions Committee
Total number of meetings		8	4	9	7	1
Stephen Lake Chair and Interim Chief Executive Officer (from October 2021)	<ul style="list-style-type: none"> Nomination (Chair until October 2021) Remuneration 	8/8	4/4	*9/9	7/7	1/1
Jacques Cadranel Non-Executive Director	<ul style="list-style-type: none"> OSARC Chair Pensions Nomination Remuneration (to June 2021) 	7/8	3/4	2/2	6/7	1/1
Philippa Hird Senior Independent Director (from April 2021)	<ul style="list-style-type: none"> Remuneration Chair Nomination Chair 	8/8	—	9/9	7/7	—
Ron Mobed Non-Executive Director	<ul style="list-style-type: none"> Nomination Remuneration 	7/8	—	9/9	6/7	—
Carol Potter Non-Executive Director	<ul style="list-style-type: none"> OSARC Nomination 	8/8	2/4	—	7/7	—

Board and Committee Composition and Attendance	Committee Membership	Ordnance Survey Board	OSARC	Remuneration Committee	Nomination Committee	Pensions Committee
Steve Showell Chief Financial Officer (from October 2021)	—	4/4	2/2	—	—	1/1
Emily Ashwell Shareholder Director (to December 2021)	<ul style="list-style-type: none"> • OSARC • Nomination • Remuneration 	6/6	3/3	7/7	6/6	—
James Coppin Shareholder Director (from December 2021)	<ul style="list-style-type: none"> • OSARC • Nomination • Remuneration 	2/2	1/1	2/2	1/1	—
Steve Blair Chief Executive Officer (to October 2021)	—	3/4	2/2	4/4	2/2	—
John Clarke Non-Executive Director (to October 2021)	<ul style="list-style-type: none"> • OSARC • Nomination 	4/4	2/2	—	3/3	—

*Attended four as a member and five as an attendee only.

Principal risks and uncertainties

The Risk and Internal Control Framework

Our system of internal control and strategy for risk management is designed to achieve a cost-effective balance between mitigation and acceptance of risk. The risk management framework applies the HM Treasury Orange Book principles to ensure risks are pro-actively identified, assessed, and managed at all levels of the organisation so that exposure, including information risk, is captured, reported, and maintained at an acceptable level. The Chief Financial Officer acting as Chief Risk Officer is responsible for monitoring risk, reporting to OSARC and the Board on the adequacy of the strategic and operational risk management process. Risk management is supported through the key governance and decision-making groups.

ExCom receive strategic risk updates to maintain the profile and importance of sound risk management across the business and ensure focus and engagement in decision making. The meetings challenge, modify and rationalise the risks.

OSARC receive an update on the status of strategic risks at each meeting in addition to conducting Deep Dive reviews of strategic risk. Strategic risks are also reported to each Board meeting as part of the performance management report.

The Risk and Assurance team work across all OS business units and expert functions to ensure risks are managed, reported, and mitigated effectively. They encourage compliance with the risk management policy and framework and identify areas of the business where risk management practices require strengthening. In support of this, risk management training sessions are delivered to raise awareness of the value of risk management and offer practical advice on implementing effective management actions to mitigate risk.

Summary risk profile

Strategic risks are identified and evaluated against a defined set of criteria to consider the likelihood of occurrence and potential impact on the business, facilitated by the risk management framework.

The strategic risk profile changes as the business evolves and was constantly reviewed by OSARC and the Board during the year. The review highlighted the following strategic risks and opportunities to achieving the OS strategy.

	Overview	Mitigation	Focus Areas for 2022-23
Cyber Security	A major information security breach resulting in a loss or compromise of sensitive information (including personal, customer and commercial) or wilful damage results in service loss, reputational damage, financial penalties, and stakeholder loss of confidence.	<ul style="list-style-type: none">• Intelligence-led emerging cyber threat profile and risk-based response• Monitoring of networks and systems to rapidly detect and respond to threats• Security policies and standards to support secure configuration, access controls, patch management etc.• Pen testing of cyber defences to identify and remediate vulnerabilities• Raising security awareness and promoting good security hygiene across the business through campaigns, training, and phishing tests	<ul style="list-style-type: none">• Keeping pace with, and monitoring evolving threats• Continued investment in cyber defences, including cyber team capability and capacity, technology, and cyber hygiene

	Overview	Mitigation	Focus Areas for 2022-23
Organisational Change	Development of senior leadership capacity and capability coupled with a significant change programme is fundamental to the future success of the business.	<ul style="list-style-type: none"> • Appointment of new OS Chair • NMS Evolve programme • Review of OS Commercial structure and ability to scale • Mature our change management & communications across the business, maintaining an enterprise view of the transformational activity 	<ul style="list-style-type: none"> • Appointment of permanent Chief Executive • Develop the ExCom and SLT structure and effectiveness to ensure delivery of the transformations critical to our strategy • NMS Evolve programme • Review of OS Commercial structure and ability to scale • Mature our change management & communications across the business, maintaining an enterprise view of the transformational activity
Talent Management	Our ability to source, build, develop and retain the required talent, and look after their well-being is key to delivering the PSGA and other contracts, succeeding with commercial opportunities and increasing operational efficiency.	<ul style="list-style-type: none"> • Career Architecture • Talent attraction and retention initiatives • Succession planning 	<ul style="list-style-type: none"> • Talent attraction and retention initiatives • Utilisation of Apprenticeships

	Overview	Mitigation	Focus Areas for 2022-23
PSGA	The delivery of PSGA key delivery milestones, added value services and securing any new PSGA extensions is important in meeting both revenue and Government expectations.	<ul style="list-style-type: none"> • Ensure contacts are linked to products for major marketing campaigns • Creating compelling, market led propositions to drive adoption of new products and services and support economic growth/value • Deliver PSGA annual plans to drive product and service adoption • Orientating customer teams 	<ul style="list-style-type: none"> • Strategic Development of Core Capabilities and Platforms
Supply Chain	Reliance on a single supplier or complex supply chain may impact delivery of key business outcomes in the event of disruption to that supply chain.	<ul style="list-style-type: none"> • Supplier management and governance • Resilience, Business Continuity, and scenario planning • Supplier categorisation 	<ul style="list-style-type: none"> • Testing resilience and Business Continuity plans

	Overview	Mitigation	Focus Areas for 2022-23
Climate Change	Physical effects of climate change, manage transitional requirements such as net zero or our own expectations and identify opportunities to support customers and other stakeholders in managing climate change risks.	<ul style="list-style-type: none">• ISO 14001 EMS accreditation• Ambitious, science-based carbon target• Employee awareness• Waste reduction programme• Reduced paper use• Improved travel efficiency• Improved ground heat source pumping• Consistent and transparent reporting	<ul style="list-style-type: none">• Reduce Greenhouse Gas emissions and reduce Scope 1 and Scope 2 emissions• Minimise waste and promote resource efficiency• Raise awareness of sustainability among employees and to embed sustainability in ways of working• Drive sustainability through supply chains and downstream via our products• Broaden and embed transparency in sustainability reporting• Go beyond and help others to work toward their sustainability goals

Senior management assurance

As part of the year end process the Head of Risk and Assurance conducted a control self-assessment and annual assurance statement exercise whereby ExCom members and senior management provide the Accountable Person with written assurance on the reliability and effectiveness of:

- Strategic and Annual Operating Plan and Budget delivery
- Performance reporting
- Risk management
- Arrangements for conveying and living the OS values
- Health and safety awareness, training, and reporting
- Arrangements for reporting instances of fraud, bribery, or corruption
- Reporting non-compliance with legislation
- The control environment and activities established to meet business objectives
- Information security awareness, training, and reporting.

The accountable person

The Chief Executive Officer of Ordnance Survey, fulfils the role of Accountable Person. Together with the Ordnance Survey Board, they have responsibility for

maintaining a sound system of internal control. This supports the achievement of OS's policies, aims and objectives, while safeguarding the public funds and departmental assets for which they are responsible in accordance with the responsibilities assigned to them as Accountable Person under Managing Public Money, and for which the Board are responsible individually and collectively in accordance with the Companies Act.

People

As an organisation with significant intellectual property, and working in a constantly evolving industry, Ordnance Survey is reliant on the skills, knowledge, and integrity of our employees. Ordnance Survey needs to be able to respond quickly to new and emerging requirements, while maintaining the efficiency and effectiveness of operations.

We do this by training our employees, providing adequate opportunities for development, career progression and reward. These risks are addressed through appropriate recruitment activities, talent identification with tailored training programmes, graduate schemes, internships, and recognition schemes.

Ordnance Survey uses the services of contractors to cope with the peaks of demand on resources and complies with the recommendations outlined in the HM Treasury Review of the tax arrangements of public sector appointees.

Fraud and whistleblowing

No instances of fraud have been reported to the Head of Risk and Assurance during the year.

Ordnance Survey has established appropriate arrangements for raising concerns and reporting fraud which we consider to be effective. These arrangements include:

- Whistleblowing and counter-fraud policy and procedures
- The Head of Risk & Assurance as a named independent person to whom to report any concerns
- Additional independence with the Chair of OSARC as a named Non-Executive to report to
- The National Audit Office as an alternative independent party
- Regular reminders to ensure all staff remain aware of the whistleblowing and counter-fraud policies.

Anti-slavery policy

Our Anti-Slavery Policy Statement, available on our website, sets out how we ensure that modern slavery or human trafficking is not taking place within our business or supply chain. This includes supplier and supply chain reviews specifically centred on the Modern Slavery Act by our Procurement Category Management teams. In addition, completion of a

Modern Slavery digital course is required for all Ordnance Survey employees to promote awareness.

Information security

Ordnance Survey considers the confidentiality, integrity, and availability of its information to be of high importance. We continue to invest resources, both technical and people, to manage and mitigate cyber risk.

Our Cyber Security team also forms our virtual security team working alongside colleagues from technology and design staff.

Ordnance Survey continued to achieve Cyber Essentials PLUS accreditation which demonstrates information security compliance to our stakeholders. We also completed the annual HM Government Departmental Security Heath Check to assess compliance with the minimum-security standards for four technical areas including Cyber. The report confirmed an improvement in meeting the Standards but also recognised further action is required to address the always evolving cyber risk landscape.

A gap analysis exercise was undertaken against the ISO27001 Information Security Management Standard as a precursor to appointing a Chief Information Security Officer (CISO) and attaining full accreditation.

Protecting personal data

Information security risk is a key element of our GDPR compliance arrangements.

During 2021-22, all data compromise and data loss incidents were logged and investigated. One incident, arising from the loss of an official OS laptop was considered to present potential harm or distress to the data subject and was reported to the Information Commissioner's Office (ICO). The ICO subsequently confirmed it would take no further action.

The Data Protection Officer and Information Assurance Manager have sought to ensure OS continues to understand its obligations to comply with GDPR.

OS Audit and Risk Committee Report

The Audit and Risk Assurance Committee supports the Board in executing its responsibilities for issues of risk, control, and governance and as such is responsible for the independent appraisal of the OS control environment, the effectiveness of corporate governance, and for providing advice and challenge on the management of risks that may impact the organisation.

Four meetings were held during the year; all meetings were quorate.

OSARC effectiveness

The Committee confirmed it acted in accordance with its terms of reference and it ensured the independence, objectivity, and independence of the internal and external auditors.

The Chair maintained a regular dialogue with the Head of Risk & Assurance, the external auditors (NAO), Chief Executive & Accountable Person and Chief Finance Officer to provide the opportunity for independent discussions relating to the effective discharge of the Committee's responsibilities.

The Committee reviewed the risks and issues brought to it and reported any issues requiring attention to the Board and/or Accountable Person.

Going forward the Committee will continue to acknowledge and embrace its role in supporting the Board by providing an independent appraisal of the OS control environment, financial reporting, risk management and effectiveness of corporate governance, and for providing advice and challenge on risks that may adversely affect the business.

Internal Audit opinion

Internal Audit assessed the systems of governance, risk management and internal control based on a programme of work reviewed and agreed by OSARC. The results of Internal Audit activity, including assurance opinions and progress with implementing recommendations arising from that work, were reviewed at each OSARC.

The Head of Risk and Assurance provided an annual opinion that partial assurance can be provided over the adequacy and effectiveness of OS's systems of governance, risk management and internal control. Where weaknesses were identified through the internal audit work, management agreed appropriate corrective actions and a time scale for improvement.

Internal Audit published 13 assurance opinion-based reports (comprising nine partial and four substantial opinions) and eight advisory and support-based assignments.

Internal Audit recommendations are tracked with status information provided to the CEO by the Head of Risk and Assurance. There were no high-priority recommendations not receiving adequate management attention.

Significant Governance and Control Issues

Following the departure of the outgoing Chair in March 2021 Stephen Lake as Senior Independent Director was appointed to the role of Interim Chair. As a member of the Board since 2015, Stephen was considered to have a good understanding of OS, the Board and what the role required. The Senior Independent Director role was appointed to Philippa Hird.

The Chief Executive left OS in October 2021 and as Interim Chair Stephen was also appointed to the role of Interim CEO. Nominations Committee looked closely at the option of recruiting externally for the role but decided someone with current and good working knowledge of OS would be better placed to successfully start at full speed.

The UK Corporate Governance Code advises against the same person holding both Chair and CEO positions, even on an interim basis. However significant thought and discussion contributed to making this decision to protect all parties and ensure the decision received Ministerial approval.

Additionally external and independent consultancy advice was sought to provide Nominations Committee with key points to consider on the Interim Chair and Interim CEO appointment to support and maintain appropriate governance.

Mitigations put in place include:

- Committee memberships and Chair roles reviewed and updated by Nomination Committee, with Senior Independent Director being appointed Nomination Committee Chair, and Interim CEO stepping down as Remuneration Committee member
- Interim Chair and Interim CEO roles and responsibilities reviewed and clearly delineated and outlined in Interim Chair and Interim CEO terms of appointment. Roles and responsibilities clearly outlined in the Interim CEO's letter of appointment
- Senior Independent Director's role and additional responsibilities reviewed by Board to identify additional roles and activities that SID should lead on during the appointment
- Board meetings being Chaired by Senior Independent Director in relation to all items presented and sponsored by Interim CEO
- Agreed timelines for both interim appointments to run concurrently with the recruitment process for both Chair and CEO positions
- Non-Executive Directors holding regular meetings with the Interim Chair and Interim CEO to ensure assurance to the Board from the CEO, and holding additional meetings without the Interim Chair and Interim CEO present to ensure sufficient scrutiny and independent challenge by the Board.

Looking ahead

The Board and ExCom have continued to work on developing the risk management and governance arrangements at OS. We will continue to review those strategic risks to achieving our strategic goals at ExCom and the Board with a view to considering the timeliness of implementation and success of mitigating actions.

We will continue to integrate the strategy and business planning, budgeting, performance management and risk management processes as being fundamental to delivering the OS strategy with OSARC and Board oversight.

Review of effectiveness

As accountable person, the CEO has responsibility for conducting an annual review of the effectiveness of the system of governance, risk management and internal control.

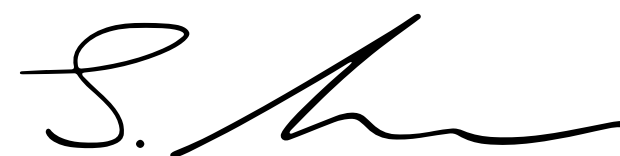
This review is informed by:

- OS Audit and Risk Committee
- The oversight and work of the Executive Directors and senior managers
- The annual control self-assessment process and annual letters of assurance received from OS senior management and Executive Directors confirming their responsibilities in relation to OS strategy and values, risk management, internal control, and security
- The work of the Risk & Assurance function
- The external auditors, the National Audit Office

All the above have a role in ensuring the OS risk management, governance and internal control structures are adequately designed and operating effectively. This Governance Statement reflects the result of the review, and the CEO is satisfied with the effectiveness of the system of governance and the agreed plans to address weaknesses and ensure continuous improvement of the system of risk management and internal control.

Management certification

The CEO has considered all the evidence provided during the preparation of this annual Governance Statement and has concluded that the organisation's overall governance, risk management and internal control structures are effective.



Stephen Lake, Interim Chief Executive Officer
6 July 2022

Directors' report

Company number: 09121572

The Directors present the Annual Report and Accounts of Ordnance Survey Limited (the Company) and its subsidiaries (together the Group) for the year to 31 March 2022. The company is domiciled and incorporated in the United Kingdom, the parent and ultimate controlling party of the Company is the Secretary of State for Business Energy and Industrial Strategy.

The principal activity of the Company in the year to 31 March 2022 was the collection, maintenance and distribution of up-to-date geospatial information.

Financial highlights are included on pages 56-57.

Results and dividends

The results are set out in the statement of profit or loss on page 162. The Directors declared a final dividend to our shareholder, the Secretary of State for Business, Energy and Industrial Strategy, of £52.8m. (2020-21 £19.1m). This comprises £12.8 million in line with the dividend policy in the Shareholder Framework Document, to declare annual dividends of 50% profit after tax, and an additional dividend amount of £40.0 million from our cash reserves as a further contribution to the public finances in 2021-22, in light of the Government's economic response to Covid-19.

Directors

The following Directors held office during the year ended 31 March 2022:

Stephen Lake	Chair and Nomination Committee Chair. Interim Chief Executive Officer (from October 2021)
Jacques Cadranell	Non-Executive Director and Pensions Committee Chair and OSARC Chair
Philippa Hird	Senior Independent Director, Nomination Committee Chair, Remuneration Committee Chair (from October 2021)
John Clarke	Non-Executive Director (to October 2021)
Ron Mobed	Non-Executive Director
Carol Potter	Non-Executive Director
Emily Ashwell	Shareholder Director (to December 2021)
James Coppin	Shareholder Director (from December 2021)
Steve Blair	Chief Executive Officer (to October 2021)
Steve Showell	Chief Financial Officer (from October 2021)

Further information about the Directors' interests is provided in the Directors' remuneration report.

Executive Directors

The following are Executive Directors, although they are not statutory Company Directors in accordance with the Companies Act 2006:

David Henderson	Chief Geospatial Officer
Hazel Hendley	Director of People
Jo Shannon	Director of Technology and Design
John Kimmance	Managing Director of National Mapping Services
Jon O'Meara	General Counsel (from May 2021)
Nick Giles	Managing Director of OS Consumer
Paul French	Managing Director of OS Commercial (from September 2021)
Rebecca Paterson	Customer and Marketing Director
Dan Dukes	Director of Operations (until May 2021)
James Blackman	Finance Director (from May 2021 to November 2021)
Munir Ismet	Managing Director of Geospatial Solutions (until September 2021)

Directors' indemnities

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

Research & development, and future developments

These areas are dealt with in the strategic report on pages 26 to 63.

Corporate governance

These areas are dealt with in our governance section on pages 84 to 119.

Sustainability

Sustainability, including greenhouse gas emissions, is dealt with in the sustainability committee report on pages 64 to 83.

Risk profile

These areas are dealt with in the our governance section on page 98.

Financial risk management

The Group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

Credit risk

Credit risk manifests itself in the trade receivables balance, which is spread over a large and diverse customer base. The Group monitors the financial position of customers on initial application and on an ongoing basis. Provision is made for debts which are considered doubtful. At the year end, the Directors do not consider there to be any material unprovided credit risk.

Cash flow risk

The Group monitors cash flow risk by maintaining cash flow forecasts and ensuring that adequate under utilised cash facilities are maintained.

Supplier payments

During the year average days from invoice date to payment date for the Company was 31.5 days (2020-21: 34.3 days).

Treasury management

Most Group business is transacted in sterling although there are some large contracts transacted in US\$. The international subsidiary also receives some payments

in foreign currencies. The Group monitors the fluctuations on foreign currencies and will consider the use of cash flow hedges if a material risk is identified.

Political and Charitable contributions

No political donations were made in the year by the Company or Group. Charitable donations are reported on page 48.

Branches outside the UK

The Group has branches, as defined in section 1046(3) of the Companies Act 2006, outside the UK as follows:

- United Arab Emirates
- Singapore

Going concern

After making enquiries, the Directors of the Company concluded that it has adequate resources to continue in operational existence for the foreseeable future. The Company therefore adopts the going concern basis in preparing its financial statements.

Disabled employees

Applications for employment by disabled people are always fully considered, bearing in mind the skill set of the person against the criteria of the role. In the event of employees becoming disabled, every effort is made to ensure their employment with the Group continues

and that appropriate training is arranged. It is the policy of the Group and the Company that the training, career development and promotion of disabled people should, as far as possible, be identical to that of other employees.

Employee collaboration

Ordnance Survey has developed a broad range of employee communications channels and mechanisms to make sure employees are informed, involved and engaged on everything concerning the current and future business. Employee engagement through communication ranges from broadcast communications, such as the daily updated intranet (Business Today) and an internal social media channel (Yammer at OS) through to dialogue focused events such as CEO briefings, quarterly surveys and regular listening sessions. Ordnance Survey recognises and works alongside Prospect and PCS trade unions. More details are contained within the Strategic Report.

Corporate governance

The Company's statement on corporate governance can be found in the governance statement of this Annual Report.

Post balance sheet events

There are no events after the end of the reporting period requiring disclosure in or adjustment to the financial statements.

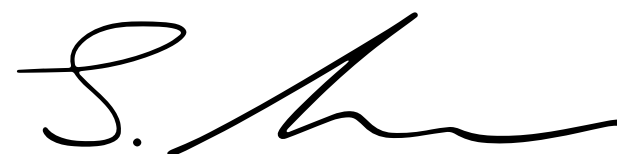
Independent auditors

So far as the Directors are aware, there is no relevant audit information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware. The Directors have taken all steps to make themselves aware of any relevant information and to establish that the Company's auditors are aware of that information. Our framework document requires us to invite the Comptroller and Auditor General to be the external auditor, and the Comptroller and Auditor General has indicated his willingness to continue in office.

Authority of issue of financial statements

The Directors gave authority for the financial statements to be issued on 6 July 2022. Neither the Company's owner nor others have the power to amend the financial statements after issue.

Approved by the Board and signed on its behalf by:



Stephen Lake, Interim Chief Executive Officer
6 July 2022

Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK adopted International Accounting Standards and the requirements of the Companies Act.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and

- make an assessment of the company's ability to continue as a going concern.

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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. Having taken advice from the Audit Committee, the Directors consider that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

Duty to promote the success of the company

Under section 172 of the Companies Act 2006, the Directors of the Company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of the members as a whole, and in doing so have regard to various factors, including the following:

The likely consequences of any decision in the long-term

- 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

The Strategic Report and Governance statement explain and provide various examples of how the Board of Directors have aimed to comply with this section 172 duty. In summary the Directors have given regard to the above factors via the following means.

As a general practice, all Board papers seeking formal decisions and all Board agendas include specific reference to and consideration of the section 172 duty and the various factors.

In terms of having regard to the likely consequences of any decision in the long-term:

- The Shareholder Framework Document sets the Company's overall control framework for decisions which could have material long-term consequences. In turn the Board have set internal financial delegations, reviewed and updated in January 2022, which provide the Board with a control mechanism for any decision which could have material long-term implications.
- The Board has a five year strategy which is reviewed and updated annually, and this included a detailed review and refresh of the strategy. A further review and update of the strategic plan was performed during 2021-22. This also included the long-term implications for the success of the Company in relation to the PSGA.

The Board has considered the interests of the workforce and other stakeholders as part of board discussions and decisions. In relation to employee engagement, the Board has:

- Had regular engagement with the Director of People and her team in relation to our company wide employee surveys and workshops, and also in relation to our regular and ongoing engagement with Prospect and PCS, who are the recognised Trade Unions representing OS employees.
- Considered ways in which the employee's voice can be enhanced in the Boardroom, including identifying opportunities for all Non-Executive Directors to engage across the employee population.

The ways of engaging with employees have included the following:

- Quarterly engagement surveys for all employees hosted by Glint.
- Ongoing consultation with Trade Unions, including on pay and Covid-19 response and also projects such as the roll-out of electric vehicles.
- Various employee groups enabling community-led involvement and decision-making to inform policy. Groups include Women's Development Network, LGBT+, Disability Awareness, Neuro Diversity Support Network and Sustainability Community, with plans to initiate a Parents and Carer's Network.
- Employee representatives involved on strategic

projects, for example graduate representation on the Sustainability Steering Group.

- Employee action teams to lead initiatives aligned to our strategy deliverables.
- Online events including discussions hosted by Directors, where employees can ask questions directly (for example the annual strategy launch and monthly 'ask us anything' sessions).

In terms of how we have engaged with and fostered our relationships with suppliers, customers and others, we explain elsewhere in this Strategic Report about our various engagement activities, which have included the following:

- Our engagement throughout the year with the Geospatial Commission in relation to the PSGA.
- Our engagement activities with our Licensed Partners, including our Licensed Partner week conference held virtually in November, together with Licensed Partner Advisory Council meetings held virtually during the year.
- Regular engagement with our partners.
- Engaging with our suppliers through our Procurement and Contract Management activities and processes, including supplier days and monitoring via KPIs (e.g. creditor payment days).

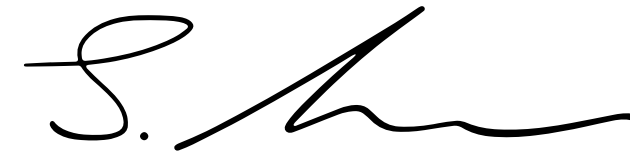
In terms of how we have regard to the impact of the company's operations on the community and the environment, more detail is in our sustainability committee report on pages 64 to 83, but in summary:

- Ordnance Survey is an active participant in the community, both through our corporate charity and through encouraging all staff to utilise their volunteer days in local projects, with engagement monitored via a KPI.
- Our progress towards our Environmental Management Systems and achieving ISO14001 accreditation.

As to the desirability of the company maintaining a reputation for high standards of business conduct, the Board have maintained a focus on this through:

- Our Annual Assurance Statement process (as described on page 108).
- Maintaining a whistleblowing policy, supported by staff awareness campaigns (as described on page 110).
- The various internal audits conducted during 2021-22 (as described on page 112).

The Strategic Report was approved by the Board and signed on its behalf by:



Stephen Lake, Interim Chief Executive Officer
6 July 2022

Director's remuneration

Remuneration overview

Ordnance Survey's remuneration policy outlines a set of criteria and corporate governance best practice in relation to pay and employment conditions.

Decision-making processes

The Remuneration Committee (RemCo) develops the overall remuneration policy for the Company, in line with the remuneration parameters and criteria set by the Shareholder Framework Document, and the policy is subsequently approved by the Board.

The remuneration policy sets out the overall principles and governance for remuneration, and the Remuneration Committee applies this in approving the remuneration for Directors and designated senior roles, as well as seeking Shareholder and HM Treasury approval as required.

RemCo takes into consideration the pay and employment conditions across the wider workforce and the remuneration parameters and criteria set by the Shareholder Framework Document and is responsible for considering and recommending

approval in relation to the annual pay award for all employees, which is subsequently formally approved by the Board.

The Committee meets on a regular basis, as often as is necessary and twice per year as a minimum, to be informed about, debate and decide on matters such as:

- Appropriate measures and targets for variable pay plans at the start of the year; and then outcomes achieved at the end of the year
- Pay review budgets
- Gender Pay Gap reporting and activities
- Remuneration and performance of the senior team

Remuneration committee

The committee was supported by Steve Blair (Chief Executive Officer to October 2021), Stephen Lake (from October 2021) and Hazel Hendley (Director of People). None of the above were present for discussions or involved in decisions concerning their own remuneration.

Reward principles

- We support the delivery of the Ordnance Survey Strategy by ensuring we can recruit, retain and engage the right people
- We demonstrate value for the public purse, ensuring we spend our resources effectively and manage risk with effective controls
- We use all aspects of total reward and the employee experience as part of a rounded, competitive offer
- We recognise that the ability to invest in pay is achieved through our commercial success
- We ensure that all pay processes and decisions are inclusive, free from discrimination and bias, and deliver consistent and transparent outcomes across our workforce
- We embrace best practice as set out in the UK Corporate Governance Code and are mindful of public sector pay policy

Employment agreements

Non-Executive Directors have a three-year fixed-term tenure. Other Statutory Directors covered by this Annual Report hold appointments which are open ended until they reach retirement age. Their notice period is six months.

Steve Blair resigned as a Director of Ordnance Survey in October 2021 and continued as an Executive to 31 December 2021. Stephen Lake became Interim Chief Executive Officer from October 2021. Steve Showell became Chief Financial Officer from October 2021.

Statement of Directors' remuneration (audited)

	Year	Salary and fees £'000	Performance- related pay £'000	Benefits in kind* £	Value of Employer pension contributions £'000	Value of exit package payments £'000	Total £'000
Stephen Lake**	2021-2022	39 (FYE 80)	—	—	—	—	39
Steve Showell	2021-2022	100 (FYE 200)	—	—	11 (FYE 21)	—	111
Steve Blair	2021-2022	187 (FYE 250)	—	—	6	—	193
	2020-2021	250	29	—	7	—	286

* Benefits in kind is the monetary value of benefits in kind provided by the employer and treated by HM Revenue and Customs as a taxable emolument.

** Stephen Lake's full remuneration package for 2021-22 was £130k FYE which covers both his roles as Chair and Interim CEO. Stephen Lake's payments in respect of services as a Non-Executive Director can be found on page 146.

- Salary and fees include gross salary and any other taxable allowances and payments i.e. car allowance.
- The total remuneration includes base salary, non-consolidated performance-related pay, cash allowances/earnings, benefits in kind and the value of pension contributions.
- Steve Showell is a member of the OS Horizon group personal pension scheme. Steve Blair was a member of OS Horizon Group personal pension scheme during employment.

Performance-related pay

The Executive Directors performance incentive scheme has a maximum opportunity of 20% of gross annual base salary received.

The Remuneration Committee reviewed the terms of the scheme and agreed that measures for 2021-22 should incentivise:

- Corporate performance, focussing on non-PSGA revenue and Net Promoter score
- Strategic targets to focus on delivery of key contracts and strategies as well as consideration of Environmental, Societal and Governance elements as well as Employee Engagement. The Remuneration Committee exercises its discretion to determine the extent to which Strategic Measures are achieved.
- Specific personal targets.

The following weightings were applied to reward positive behaviours with business units and expert functions being mutually dependent on each other:

Measure	Weighting
Corporate	40%
Strategic	40%
Personal	20%

In addition to participation in the Director Bonus plan, the Ordnance Survey Chief Executive Officer also has a commercial bonus opportunity of up to 30% salary to reward the development of a growing, profitable and successful commercial business to sustain the future of OS. This plan does not apply to the Interim CEO post.

Fair pay disclosure (audited)

Reporting bodies are required to disclose the relationship between the salaries of the most highly paid Director in their organisation and the median earnings of the organisation’s workforce.

Financial Year 2021-22

- The salary and taxable benefits excluding pension of the Company’s most highly paid Director on a full year equivalent basis in the financial year 2021-22 was £250,000. This represents a reduction of 10% from 2020-21.
- This amount represents 6.38 times the median salary and taxable benefits of the workforce, which was £39,136. This represents a reduction of 1% from 2020-21.

Financial Year 2020-21

- The salary and taxable benefits excluding pension of the Company’s most highly paid Director on a full year equivalent basis in the financial year 2020-21 was £279,000.

- This amount represents 7 times the median salary and taxable benefits of the workforce, which was £39,613.

	Pay ratio of highest paid director to employees			For highest paid director		For all employees		
	@ 25th percentile	@ Median	@ 75th percentile	% change in salary and allowances	% change in performance pay and bonuses payable	Average % change in salary and allowances	Average % change in performance pay and bonuses payable	
2021-22	8:1	6:1	5:1	0%	1.50%	2.25%	26%	
2020-21	9:1	7:1	6:1	— *	— *	— *	— *	

*Not disclosable

Directors’ defined benefit pensions (audited)

2021-22 No Director was in receipt of a defined benefit pension.

2020-21 No Director was in receipt of a defined benefit pension.

Non-Executive Directors (audited)

- The Non-Executive Interim Chair; and the Shareholder Non-Executive Director are appointed directly by the Secretary of State for BEIS.
- The remaining Non-Executive Directors are appointed by the Board of Directors of Ordnance Survey Limited, on the recommendation of the Nomination Committee and approval of UKGI. Their remuneration and terms of appointment are agreed at the time of their appointment, which is normally for three years with the potential for this to be extended by mutual agreement for a further three years, at the Company’s sole discretion. By exception and on completion of the three-year optional period, any further extension is offered under mutually agreed terms.

Payments to Non-Executive Directors

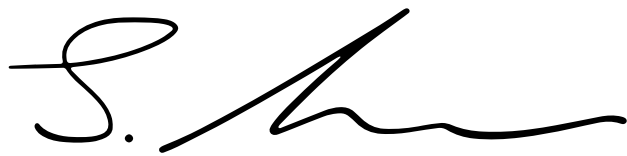
Ordnance Survey Non-Executive Directors are not Ordnance Survey employees and are not members of the Principal Civil Service Pension Scheme nor the OS Horizon Group Personal Pension Plan. Their remuneration is paid after deduction of PAYE and NIC through the Ordnance Survey payroll. The Shareholder Director is remunerated by their employer UKGI. Remuneration paid to Non-Executive Directors was as follows:

	2021-22 Remuneration	2021-22 BIK	2020-21 Remuneration	2020-21 BIK
	£'000	£	£'000	£
Kieran Murphy (to March 2021)	—	—	46	—
Jacques Cadranel	28	29	28	—
John Clarke (to October 2021)	14	—	28	—
Philippa Hird	28	—	28	—
Stephen Lake	52	—	28	—
Ron Mobed	28	—	20 (FYE 28)	—
Carol Potter	20 (FYE 28)	—	17 (FYE 28)	—

*In July 2021 Stephen Lake was confirmed as interim Chair commencing 2 March 2021, therefore his pay for 2021-22 includes £2,000 back pay for March 2021.

The inclusion of a Directors' remuneration report containing information about the salary and benefits of the senior managers and key decision makers at Ordnance Survey is voluntarily reported. The actual salary, performance-related pay and benefits details of each Director form the audited elements of this report, as referred to in the Independent Auditor's Report, which can be found in the Annual Accounts. The remaining elements are unaudited.

The Directors' remuneration report was approved by the Board and signed on its behalf by:



Stephen Lake, Interim Chief Executive Officer
6 July 2022

Please note: *This page is intentionally blank.*

Auditor's report

Independent auditor's report to the members of Ordnance Survey Limited

Opinion on financial statements

I have audited the financial statements of Ordnance Survey Limited and its Group for the year ended 31 March 2022 which comprise Ordnance Survey Limited and Group's:

- Statements of Financial Position as at 31 March 2022;
- Consolidated Statement of Profit or Loss and Other Comprehensive Income, Cash Flow Statements and Statements of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and the UK adopted International Accounting Standards and as regards the parent company financial statements, as applied in

accordance with the provisions of the Companies Act 2006.

In my opinion the financial statements:

- give a true and fair view of the state of Ordnance Survey Limited and its Group's affairs as at 31 March 2022 and its profit for the year then ended; and
- 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

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 Audit of Financial Statements of Public Sector Entities in the United Kingdom. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of Ordnance Survey Limited and its

Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that Ordnance Survey Limited and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Ordnance Survey Limited or its Group'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.

My 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 information included in the Annual Report, but does not include the financial statements and my auditor's report thereon. The directors are responsible for the other information.

My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In my opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements; and
- 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.

Matters on which I report by exception

In the light of the knowledge and understanding of Ordnance Survey Limited and its Group and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report or the Directors' Report.

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or

- the financial statements and the parts of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as directors determine are necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error.
- assessing Ordnance Survey Limited and its Group'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 entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with the applicable law and International Standards on Auditing (ISAs) (UK).

My 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 a report that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:

- the nature of the sector, control environment and operational performance including the design of Ordnance Survey Limited's accounting policies, key performance indicators and performance incentives.
- Inquiring of management, Ordnance Survey Limited's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Ordnance Survey Limited and its Group's policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including Ordnance Survey Limited and

its Group's controls relating to Ordnance Survey Limited's compliance with the Companies Act 2006.

- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within Ordnance Survey Limited and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of Ordnance Survey Limited and its Group's framework of authority as well as other legal and regulatory frameworks in which Ordnance Survey Limited and the Group operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of Ordnance Survey Limited and its Group. The key laws and regulations I considered in this context included Companies Act 2006, relevant employment law and tax Legislation

Audit response to identified risk

As a result of performing the above, the procedures I

implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and the Board and internal audit reports;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- in addressing the risk of fraud in revenue recognition, testing a sample of revenue to third party evidence; assessing the reasonableness of estimates made with regard to recognition of income; and specific testing of key contracts.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement

team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of my report.

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Stephen Young, Senior Statutory Auditor,
7 July 2022

For and on behalf of the Comptroller and Auditor
General (Statutory Auditor) National Audit Office

157–197 Buckingham Palace Road Victoria, London
SW1W 9SP

Please note: *This page is intentionally blank.*

Financial statements

Consolidated statement of profit or loss and other comprehensive income as at 31 March 2022

	Notes	31 March 2022 £'000	31 March 2021 £'000
Revenue	2	182,288	173,317
Cost of sales		(32,378)	(31,614)
Gross profit		149,910	141,703
Operating costs	3	(130,702)	(122,594)
Share of results of joint ventures	9	9,092	9,644
Other income		803	1,280
Operating profit		29,103	30,033
Finance income	5	8	8
Finance cost	5	(80)	(95)
Finance costs – net		(72)	(87)
Profit before corporation tax		29,031	29,946
Corporation tax expense	6	(5,623)	(5,887)
Profit for the period		23,408	24,059
Profit/(loss) is attributable to:			
Owners of the company		23,648	24,472
Non-controlling interest		(240)	(413)
		23,408	24,059
Profit is attributable to owners of the company		23,648	24,472
Dividends	7	(52,800)	(19,100)
Loss retained for the year		(29,152)	5,372

All the activities of the Group are classified as continuing.

The notes on pages 184 to 269 are an integral part of these Financial Statements.

Consolidated statement of financial position as at 31 March 2022

Group

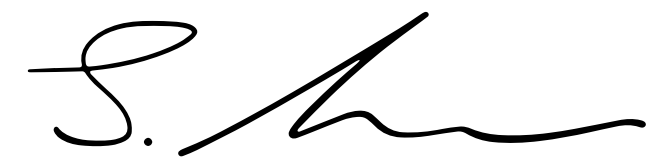
		31 March 2022	31 March 2021
	Notes	£'000	£'000
Non-current assets			
Intangible assets	10	56,855	48,916
Property plant and equipment	11	29,451	29,947
Right of use assets	11	4,393	2,780
Investments	8	56	—
Interests in joint ventures	9	3,919	3,902
		94,674	85,545
Current assets			
Inventories	12	3,073	2,316
Trade and other receivables	13	22,049	21,584
Current tax asset	17	1,252	1,508
Cash and cash equivalents	14	110,127	118,433
		136,501	143,841

Consolidated statement of financial position as at 31 March 2022 *continued*

Group		31 March 2022	31 March 2021
	Notes	£'000	£'000
Total assets		231,175	229,386
Current liabilities			
Trade and other payables	15	(72,324)	(38,196)
Lease liabilities in less than one year	16	(2,006)	(1,817)
Provisions	18	(83)	(707)
Deferred revenue	19	(24,124)	(26,843)
		(98,537)	(67,563)
Net current assets		37,964	76,278
Non-current assets plus net current assets		132,665	161,823
Non-current liabilities			
Lease liabilities after one year	16	(2,441)	(1,022)
Provisions	18	(258)	(206)
Deferred revenue	19	(974)	(2,450)
Deferred tax liability	20	(705)	(493)
Total liabilities		(102,915)	(71,734)
Net assets		128,260	157,652
Equity			
Share capital	21	34,000	34,000
Retained earnings		100,960	130,112
Capital and reserves attributable to owners of the Company		134,960	164,112
Non-controlling interest		(6,700)	(6,460)
Total equity		128,260	157,652

The Financial Statements were approved by the Board of Directors and authorised for issue on 6 July 2022.

They were signed on its behalf by:



Stephen Lake, Interim Chief Executive Officer
6 July 2022

The notes on pages 184 to 269 are an integral part of these Financial Statements.

Company statement of financial position as at 31 March 2022

Company

		31 March 2022	31 March 2021
	Notes	£'000	£'000
Non-current assets			
Intangible assets	10	56,855	48,916
Property plant and equipment	11	29,451	29,947
Right of use assets	11	4,393	2,780
Investments	8	456	400
Interests in joint ventures	9	3,919	3,902
		95,074	85,945
Current assets			
Inventories	12	3,073	2,316
Trade and other receivables	13	21,409	20,668
Current tax asset	17	2,058	1,508
Cash and cash equivalents	14	99,063	112,702
		125,603	137,194

Company statement of financial position

as at 31 March 2022 *continued*

Company

	Notes	31 March 2022 £'000	31 March 2021 £'000
Total assets		220,677	223,139
Current liabilities			
Trade and other payables	15	(72,076)	(38,524)
Lease liabilities in less than one year	16	(2,006)	(1,817)
Provisions	18	(83)	(593)
Deferred revenue	19	(20,778)	(24,408)
		(94,943)	(65,342)
Net current assets		30,660	71,852
Non-current assets plus net current assets		125,734	157,797
Non-current liabilities			
Lease liabilities after one year	16	(2,441)	(1,022)
Provisions	18	(258)	(206)
Deferred revenue	19	(974)	(2,450)
Deferred tax liability	20	(761)	(499)
Total liabilities		(99,377)	(69,519)
Net assets		121,300	153,620
Equity			
Share capital	21	34,000	34,000
Retained earnings		87,300	119,620
Capital and reserves attributable to owners of the Company		121,300	153,620

Ordnance Survey Limited generated a profit of £20.5m for the year ended 31 March 2022 before payment of the dividend.

As permitted by section 408(3) of the Companies Act 2006, the income statement of the Company is not presented in this Annual Report.

The Financial Statements were approved by the Board of Directors and authorised for issue on 6 July 2022.

They were signed on its behalf by:



Stephen Lake, Interim
Chief Executive Officer
6 July 2022

The notes on pages 184 to 269 are an integral part of these Financial Statements.

Consolidated statement of changes in equity for the year ended 31 March 2022

Group

(Amounts in £'000)	Share capital	Retained earnings	Total	Non- controlling	Total
As at 1 April 2020	34,000	124,740	158,740	(6,047)	152,693
Profit for the year	—	24,472	24,472	(413)	24,059
Total comprehensive income for the period	—	24,472	24,472	(413)	24,059
Dividends payable	—	(19,100)	(19,100)	—	(19,100)
As at 1 April 2021	34,000	130,112	164,112	(6,460)	157,652
Profit for the year	—	23,648	23,648	(240)	23,408
Total comprehensive income for the period	—	23,648	23,648	(240)	23,408
Dividends payable	—	(52,800)	(52,800)	—	(52,800)
As at 31 March 2022	34,000	100,960	134,960	(6,700)	128,260

The notes on pages 184 to 269 are an integral part of these Financial Statements.

Company statement of changes in equity for the year ended 31 March 2022

Company

(Amounts in £'000)	Share capital	Retained earnings	Total
As at 1 April 2020	34,000	118,910	152,910
Profit for the year	—	19,810	19,810
Total comprehensive income for the period	—	19,810	19,810
Dividends payable	—	(19,100)	(19,100)
As at 1 April 2021	34,000	119,620	153,620
Profit for the year	—	20,480	20,480
Total comprehensive income for the period	—	20,480	20,480
Dividends payable	—	(52,800)	(52,800)
As at 31 March 2022	34,000	87,300	121,300

The notes on pages 184 to 269 are an integral part of these Financial Statements.

Consolidated cash flow statement for the year ended 31 March 2022

Group	Notes	31 March 2022	31 March 2021 Restated*
		£'000	£'000
Profit before corporation tax		29,031	29,946
Amortisation and impairment of intangible assets	10	15,996	17,421
Depreciation of property, plant and equipment	11	5,056	5,145
Increase in deferred tax liability		262	894
Share of joint venture results	9	(9,092)	(9,644)
Interest received	5	(8)	(8)
Interest paid	5	80	95
Increase in inventories		(757)	(183)
(Decrease)/increase in trade and other receivables		(465)	7,787
(Decrease)/increase in trade and other payables		428	1,753
Increase/(decrease) in provisions for liabilities and charges		(572)	743
Increase/(decrease) in deferred revenue		(4,195)	3,387
Cash flow from operations		35,764	57,336

Consolidated cash flow statement

for the year ended 31 March 2022 *continued*

Group	Notes	31 March 2022	31 March 2021 Restated*
		£'000	£'000
Income taxes paid		(5,417)	(3,412)
Net cash inflow from operating activities		30,347	53,924
Cash flows from investing activities			
Interest received	5	8	8
Purchase of property, plant and equipment		(6,173)	(3,125)
Purchase of intangible assets		(23,935)	(22,536)
Investments		(56)	—
Receipt of Dividends		9,075	9,825
Net cash used in investing activities		(21,081)	(15,828)
Cash flows from financing activities			
Interest paid	5	(80)	(95)
Lease liabilities and repayments		1,608	(2,074)
Payment of Dividends	7	(19,100)	(27,650)
Net cash used in financing activities		(17,572)	(29,819)
Net increase in cash and cash equivalents		(8,307)	8,277
Cash and cash equivalents at beginning of year		118,433	110,156
Cash and cash equivalents at end of year	14	110,127	118,433

*Restatement due to incorrect classification of a dividend payment as a dividend expense.

The notes on pages 184 to 269 are an integral part of these Financial Statements.

Company cash flow statement for the year ended 31 March 2022

Company

		31 March 2022	31 March 2021 Restated*
	Notes	£'000	£'000
Profit before corporation tax		25,348	25,006
Amortisation and impairment of intangible assets	10	15,996	17,421
Depreciation of property, plant and equipment	11	5,056	5,063
Increase in deferred tax liability		262	197
Impairment of loans to group companies		520	2,972
Share of joint venture results	9	(9,092)	(9,644)
Interest received	5	(704)	(887)
Interest paid	5	80	94
Increase in inventories		(757)	(183)
Decrease/(increase) in trade and other receivables		(741)	9,200
(Decrease)/increase in trade and other payables		(148)	2,319
Increase/(decrease) in provisions for liabilities and charges		(458)	629
Increase/(decrease) in deferred revenue		(5,107)	2,495
Cash flow from operations		30,255	54,682
Income taxes paid		(5,417)	(2,715)

Company cash flow statement

for the year ended 31 March 2022 *continued*

Company

		31 March 2022	31 March 2021 Restated*
	Notes	£'000	£'000
Net cash inflow from operating activities		24,838	51,967
Cash flows from investing activities			
Interest received	5	704	887
Purchase of property, plant and equipment		(6,173)	(3,126)
Purchase of intangible assets		(23,935)	(22,536)
Loans to group companies		(520)	(2,972)
Investments		(56)	—
Receipt of Dividends		9,075	9,825
Net cash used in investing activities		(20,905)	(17,922)
Cash flows from financing activities			
Interest paid	5	(80)	(94)
Lease liabilities		1,608	(2,072)
Payment of Dividends	7	(19,100)	(27,650)
Net cash used in financing activities		(17,572)	(29,816)
Net increase in cash and cash equivalents		(13,639)	4,229
Cash and cash equivalents at beginning of year		112,702	108,473
Cash and cash equivalents at end of year	14	99,063	112,702

*Restatement due to incorrect classification of a dividend payment as a dividend expense.

The notes on pages 184 to 269 are an integral part of these Financial Statements.

Notes to the consolidated financial statements

1. Principal accounting policies

Ordnance Survey Limited (the Company) is incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 4. The principal activities of the Company and its subsidiaries (the Group) and the nature of the Group's operations are set out in note 9 and in the strategic report on pages 26 to 63. These financial statements are presented in pounds sterling, because that is the currency of the primary economic environment in which the Group operates.

1.1 Basis of preparation

(i) Compliance with IFRS

The consolidated financial statements have been prepared in accordance with UK adopted International Accounting Standards and the requirements of the Companies Act.

Where IFRS permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the specific circumstances of Ordnance Survey Limited ('Ordnance Survey') for the purpose of giving a true and fair view has been selected. The policies adopted are described below. They have been applied consistently unless otherwise stated in dealing with items that are considered material to the financial statements.

The Company has taken advantage of the exemption under Section 408 of the Companies Act 2006 from presenting its own profit and loss account.

(ii) Going concern

The financial statements have been prepared on a going concern basis.

(iii) Historical cost convention

The financial statements have been prepared under the historic cost convention except for the following:

- Financial assets and liabilities – measured at fair value.
- Assets held for sale – measured at fair value less cost of disposal.

There are no standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

1.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenditure are eliminated in full on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Total comprehensive income is attributed to Non-controlling interests even if this results in the non-controlling interests having a deficit balance.

1.3 Joint ventures

Joint ventures are entities over which the Group has significant influence but does not control.

The Group accounts for investments in joint ventures using the equity method of accounting, recording the investment initially at cost. Adjustment is made in the Group accounts to ensure consistent application of Group accounting policies.

1.4 Segment reporting

The Board receives an analysis of revenue by channel and operating segments and this is presented in note 2.

1.5 Foreign currency transactions

Transactions denominated in foreign currencies are translated into the functional currency at the exchange rate ruling at the dates of the transactions. Exchange rate differences are charged to the statement of profit or loss as incurred. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position reporting date are translated at the rates ruling at that date.

1.6 Investments

Investments held as non-current assets are stated at cost less provision for permanent diminution in value.

1.7 Property, plant and equipment

Property, plant and equipment held for use in the supply of goods or services, or for administration purposes, are stated in the statement of financial position at costs less any accumulated depreciation.

The depreciable amount of an asset is calculated by deducting its residual value from its initial cost. The residual value of an asset is the estimated amount that the Group would obtain from the disposal of the asset after deducting the estimated cost of disposal.

Depreciation is charged so as to write off the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The depreciation policy applied to property, plant and equipment details the following useful lives to be applied to tangible fixed assets:

Asset class	Depreciation policy
Freehold land	Not depreciated
Freehold buildings	40 years from acquisition or remaining useful economic life
Equipment and fixtures:	
IT Equipment	1 to 5 years
Equipment, facilities and fixtures	2 to 15 years
Vehicles	4 years
Assets under construction	Not depreciated
Right of Use Assets	See note 1.15

The minimum level for capitalisation of property, plant and equipment is £5,000 with the exception of information technology (IT) and support systems hardware, which is £1,000. All IT workstations (office computers and laptops) bought together are grouped as one asset.

1.8 Intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Internally generated intangible assets are capitalised if an asset has been created which can be identified and meets the following criteria:

- It is probable that the asset will give rise to future economic benefit.
- The original cost can be reliably measured.
- It is technically feasible that the asset can be completed for use.
- There is the intention to complete and use it.
- There is the ability to use it.
- Resources are available to complete the development.

These assets are capitalised at the cost of development.

Amortisation is charged on a straight-line basis in order to write down the asset over its useful life. Useful lives are reviewed on an annual basis and adjustments, where applicable, are made on a prospective basis. The useful lives of intangible assets are expected to fall within the following limits:

Asset class	Estimated useful life
Data content	3 to 5 years
Software	3 to 12 years
Assets under construction	Not amortised

The Group’s internally generated intangible assets consist of:

a) Data content

- Data content represents those data sets which have been considered to meet the criteria of IAS 38. The underlying National Geographic Database is not been capitalised as it has evolved from the data capture which commenced over 200 years ago, and therefore the original cost cannot be reliably measured. Significant enhancements and other data content is capitalised where these are considered to meet the criteria of IAS 38.

b) Software

- The costs of data delivery and business systems include all directly attributable costs including the cost of purchased computer software licences used to develop the systems.

c) Assets in course of construction

- Assets in course of construction are capitalised at cost and carried at cost less any recognised impairment loss.

Cost includes all directly attributable costs including professional fees.

Amortisation of these assets commences when the assets are ready for their intended use.

1.9 Impairment of non-financial assets

Assets that are subject to amortisation are reviewed annually to consider whether there have been any events or changes in circumstance that indicate the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets which have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Where there is no expectation of future impairment reversal, assets will be fully removed from the financial statements.

1.10 Inventory and work in progress

Inventories and work in progress are stated at the lower of cost and net realisable value. Cost is determined using the weighted average costing method.

Cost comprises design costs, direct materials, direct labour and those overheads that have been incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price in the ordinary course of business less applicable variable selling expenses.

1.11 Financial assets and liabilities

The Group has classified its financial instruments as follows:

a) Financial assets

Financial assets are classified under IFRS 9 as amortised cost, fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI) depending on the Group's business model for that asset category and the contractual cashflow characteristics of the instruments.

The Group recognises a loss allowance for expected credit losses on investments that are measured at amortised cost, trade receivables and contract assets.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime expected credit losses (ECL) under IFRS 9's simplified model for trade receivables, contract assets and lease receivables.

The expected credit losses on these financial assets are estimated considering the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an

assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Cash and cash equivalents include cash at bank, cash in hand and any amounts on short term deposit, typically less than three months.

b) Financial liabilities

Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

Loans are initially recognised at fair value on the trade date and subsequently measured at amortised cost using the effective interest method. These are included within current liabilities, unless expected maturity is more than 12 months after the statement of financial

position reporting date.

1.12 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event. It is probable that the Group will be required to settle that obligation and that a reliable estimate can be made of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the obligation at the statement of financial position reporting date, taking into account the risks and uncertainties surrounding the obligation and are discounted to present value, where material.

1.13 Employee benefits

a) Pensions – legacy schemes

Pension benefits are provided through the Principal Civil Service Pension Scheme (PCSPS); details are outlined in note 4 of the pension schemes of which the Company staff are members.

From 1 October 2002, the Trading Fund staff could have joined one of three statutory based final salary defined benefit schemes (Classic, Premium, and Classic Plus). New entrants after 1 October 2002 chose between membership of the premium scheme and joining a defined contribution scheme with a significant employer contribution (partnership pension

account). These schemes were closed to new entrants on 29 July 2007.

All new employees who joined the Trading Fund (the former legal entity through which our business was conducted) on or after 30 July 2007 could choose between membership of the Nuvos scheme and a partnership pension account. The defined benefit schemes were closed to employees on 31 March 2015.

All employer pension contributions payable are charged to the statement of profit or loss and other comprehensive income for the financial year as incurred, on the basis that the schemes are multi-employer and the Company is unable to identify its share of the underlying assets and liabilities.

b) Pensions – Horizon scheme

The 2015-16 year was the first year of trade for Ordnance Survey Limited. On 1 April 2015, the entire functions, business, subsidiaries, operations and assets of the Ordnance Survey Trading Fund were transferred to Ordnance Survey Limited, a limited company wholly owned by the Secretary of State for Business, Energy & Industrial Strategy, and the company commenced trading on this date.

From 1 April 2015, all new Company employees were offered the opportunity to join the Horizon defined contribution pension scheme. For this scheme the amount charged to the profit and loss account

in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

c) Early release costs

A provision is recognised in the financial statements for the full departure cost of employees who have agreed to exit the group prior to the year end.

1.14 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the delivery of mapping goods and services, which comprises mapping data, information, customer tailored services and copyright revenue, in the ordinary course of business. Revenue is shown net of VAT and discounts.

The Group recognises revenue once the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific other criteria are met for each of the activities shown below.

Public Sector Geospatial Agreement (PSGA)

revenue is recognised each year on two bases; a) Direct Licences – Licences which allow the customer to use the data. The revenue deriving from these licences is recognised over the length of the licence agreement as this reflects the usage of the data by the

customer and the Group's obligation of ongoing supply and to provide updates. b) Services - revenue from services is recognised on a 'performance completed to date' basis by assessing the proportion of the total contract that has been completed at each point in time. There is a facility for the group to share private sector revenue above a certain threshold with HM Government. This is recognised on an accruals basis.

Direct Licences – Licences which allow the customer to use the Group data for internal purposes only. The revenue deriving from these licences is recognised over the length of the licence agreement (usually 12 months) as this reflects the usage of the data by the customer and the Group's obligation of ongoing supply and to provide updates.

Partner Licences – Licences which enable the customer to add value to the Group data and resell the product to third parties. The revenue deriving from these licences is recognised over the length of the licence agreement (usually 12 months) as this reflects the usage of the data by the end customer and the Group's obligation of ongoing supply and to provide updates.

Paper maps – Revenue from paper map sales is recognised when the control of ownership passes to the customer.

Services – Revenue from services are recognised at the point at which the services are transferred to the customer performed by the Group or on a proportion

of completeness of total contract method, depending which is most appropriate to the contract.

Rental – Rental income is recognised on a monthly basis and any revenues received in advance or arrears are deferred or accrued as appropriate.

Unpaid invoices for licence fees which relate to periods after the statement of financial position reporting date are included in the trade receivables balance. The net invoiced value relating to revenue to be recognised in the period after the statement of financial position reporting date is recorded in current and long-term creditors as deferred income.

Payment is typically due shortly after delivery of goods or services. In respect of bespoke services delivered over longer periods of time, the group negotiates payment terms to match delivery of the contractual obligations.

1.15 Leases

IFRS 16 was adopted as from 1 April 2019. All operating lease contracts, with limited exceptions, were recognised on the balance sheet by recognising right-of-use assets and corresponding lease liabilities at the transition date.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for

consideration. The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Leases of less than one year are not included in the assets and liabilities.

1.16 Taxation

Current taxation

The corporation tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current corporation tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Group establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred taxation

Deferred corporation tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

However, deferred corporation tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred corporation tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred corporation tax asset is realised or the deferred corporation tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available

to utilise those temporary differences and losses.

1.17 Capital Management

The group manages its capital to ensure sufficient funds are available to meet future foreseeable funding requirements, including an assessment of contractual cash receipts, via the use of cash flow forecasts to ensure that adequate under utilised cash facilities are maintained.

1.18 Share Options

The group seeks to take options in exchange for support given to start up ventures. Options are exercised where the group has confidence in the viability of the venture. Once exercised options are assessed and shares may be sold where the group believes the full value has been obtained. Exercised options are initially valued at cost, then revalued in accordance with IFRS9 where there is evidence of a material change in the value.

1.19 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand pounds unless otherwise stated.

1.20 Critical accounting estimates and judgements

In applying the Group's accounting policies set out above, management is required to make certain estimates and judgements concerning the future.

These estimates and judgements are regularly reviewed and updated as necessary. The estimates and judgements that have the most significant effect on the amount included in these financial statements are as follows:

Data Capture – Data captured in the course of our operations is expensed, unless it meets the criteria of IAS38 for capitalisation.

Development costs – The Group capitalises development costs when the project meets certain criteria. Costs are only capitalised if they meet the criteria set out in IAS38 and the project has been approved by the Investment Group within the Group. Prior to this approval all project costs are expensed.

Revenue recognition – The Group recognises royalty revenue based on returns from partners. These returns are provided on a timely basis, usually quarterly, thus limiting the time-frame of the estimate. See note 2 for the breakdown of revenue by channel, segment and geography.

Services including data captured for customers

– The Group recognises revenue on a percentage completion basis which requires estimating of the total costs throughout the contract.

Impairment of assets – Property, plant and equipment and intangible assets are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and, where it is a component of a larger economic unit, the viability of that unit itself. Future cash flows expected to be generated by the assets are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared with the current net asset value and, if lower, the assets are impaired to current value.

Asset lives – The determination of asset lives for amortisation purposes is reviewed on a regular basis. Assessing the useful economic life of an asset is based on management judgement taking into account historical experience and the impact of technological change. Consequently this represents a source of estimation uncertainty.

2. Revenue and Segmental Reporting

Revenue	2021-22	2020-21
	£'000	£'000
Trading revenue	180,280	170,891
Other operating activities	1,992	2,276
Property rental income	16	150
	182,288	173,317
Trading revenue		
Channel		
Direct licences	128,357	122,745
Partner licences	34,812	32,500
Paper maps	11,560	9,527
Services	5,551	6,119
	180,280	170,891
Segment		
Business to government	103,682	101,722
Business to business	56,871	54,637
Business to consumer	19,727	14,532
	180,280	170,891
Geography		
United Kingdom	171,593	163,086
Other European countries	1,031	1,131
Rest of world	7,656	6,674
	180,280	170,891

Revenues are attributed by country, based on the location of the entity to whom the Group provide the product or service. No details are available of the location of the ultimate end user.

During the year one customer (Cabinet Office) accounted for more than 10% of turnover. The revenue received from this customer is secured under separate long term agreements.

Revenue of £99.8m (2020-21 £96.3m) in relation to this customer is reported in the Direct Licences channel, the Business to Government segment and United Kingdom geographic region in the above tables.

The Group's operating revenue is principally generated by sales of mapping data, information, customer tailored services and copyrights or copyright material.

3. Operating costs

	Note	2021-22 £'000	2020-21 £'000
Operating profit for the year has been arrived at after charging:			
Staff costs	4	64,297	60,739
Amortisation of intangible assets	10	14,644	15,613
Impairment of intangible assets	10	1,352	1,808
Depreciation of PPE	11	5,056	5,145
Research and development		5,554	6,858
Operating lease charges - buildings		170	177
Operating lease charges - PPE		1,101	578
Foreign exchange losses/(gains)		32	(13)
Fees payable to auditor for audit of the statutory annual accounts*		84	79
Other operating charges		38,412	31,610
		130,702	122,594

*The subsidiaries' auditor is Grant Thornton UK LLP.

The Company's auditor is The National Audit Office. Office leasing payments of £349k were made to the auditors for the provision of non audit services during the year (2020-21 £344k). The fee payable for subsidiary audits for the current year audit is £68k (2020-21 £46k). Payment for non audit services during the year were £nil (2020-21 £nil).

Losses and special payments

There were no losses or special payments to report (2020-21 £nil).

4. Staff numbers and costs

Total employee costs

	2021-22	2020-21
	£'000	£'000
Wages and salaries – permanent employees	51,608	45,639
Additional early release costs in year	145	745
Social security costs	5,968	5,380
Pension costs	9,385	9,120
Temporary/agency contract labour costs*	19,812	21,331
	86,918	82,215
Capitalised permanent labour	(8,276)	(7,326)
Capitalised temporary/agency contract labour	(14,345)	(14,150)
	64,297	60,739

*Includes third party outsourced work packages on a time charged basis.

Total permanent staff numbers, including Directors

The average monthly number of full time equivalent persons during the year was as follows:

	2021-22	2020-21
Operations	829	752
Sales and Marketing	238	218
Corporate Services	229	181
	1,296	1,151

Total temporary/agency staff

The average monthly number of full time equivalent temporary/ agency/ contract persons employed by the Group during the year was as follows:

	2021-22	2020-21
Operations	57	82
Sales and Marketing	15	15
Corporate Services	8	10
	80	107

Directors’ emoluments

	2021–22	2020–21
	£’000	£’000
Salaries and other short-term employee benefits	504	664
Pension contribution charged in year – defined contribution	17	41
Highest paid Director	187	279

Pension costs – defined benefit

For 2021-22, employers’ contributions of £7,005k (2020-21: £7,485k) were payable to the PCSPS at one of four rates in the range 20.0% to 24.5% of pensionable pay, based on salary bands. The scheme actuary reviews employers’ contributions every four years following a full scheme valuation. The contribution rates are set to meet the costs of the benefits accrued during 2021-22 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

PCSPS is an unfunded multi-employer defined benefit scheme. A full actuarial valuation was carried out at 31 March 2016. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservicepensionscheme.org.uk).

No information is available regarding the overall surplus or deficit of the scheme.

Group employees who joined before 31 March 2015 were members of the following: The Classic or Classic Plus schemes, the Premium scheme, the Partnership Pension Account or Nuvos.

Career average pension arrangements were introduced on 1 April 2015 and the majority of Classic, Premium, Classic Plus and Nuvos members joined the new scheme. Further details of this new scheme are available at www.civilservicepensionscheme.org.uk/members/the-new-pension-scheme-alpha.

The defined benefit schemes were closed to new entrants on 31 March 2015.

Pension costs – defined contribution

All employees who joined after 1 April 2015 were given the option to join the Company Personal Pension Plan, Horizon – a defined contribution scheme. The cost in the year was £2,380k (2020-21 £1,635k).

Early release costs provided for in financial year

All early release payments were made in line with employee contractual entitlements and not above.

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme made under the Superannuation Act 1972, except for overseas employees who are paid contractually in line with local employment law requirements.

The statement of profit or loss and other comprehensive income includes a charge of £143k (2020-21 £745k) in respect of new leavers identified in 2021-22. This charge reflects the costs of exit packages agreed and accounted for by 31 March 2022.

Early release package cost by band	2021-22	2020-21
Less than £10,000	—	—
£10,000–£25,000	1	2
£25,000–£50,000	—	1
£50,000–£100,000	2	3
>£100,000	—	2
Total number of exit packages	3	8
Total cost £'000	143	745

Early release costs are accounted for as described in note 1.13. Where the Group has agreed early retirements, the additional costs are met by the Group and not by the Civil Service Pension Scheme.

5. Finance income/expense

Group	2021-22	2020-21
	£'000	£'000
Finance income		
Interest received	8	8
Interest paid	(80)	(95)
	(72)	(87)

Company	2021-22	2020-21
	£'000	£'000
Finance income		
Interest received	704	887
Interest paid	(80)	(94)
	624	793

6. Taxation

As set out in the Strategic Report, on 1 April 2015, Ordnance Survey Limited acquired the entire functions, business, subsidiaries, operations and assets of the Ordnance Survey Trading Fund. The Trading Fund was outside the scope of UK Corporation Tax whereas Ordnance Survey Limited is a fully taxable entity. The subsidiaries and joint ventures of Ordnance Survey have throughout been subject to UK Corporation Tax.

(a) Corporation tax expense

	2021–22	2020–21
	£'000	£'000
Current tax		
Current tax on profits for the year	5,822	4,929
Adjustments in respect of prior years	(411)	43
Total current tax (credit)/expense	5,411	4,972
Deferred tax		
Origination and reversal of temporary differences	(293)	774
Impact of rate change	176	—
Adjustments in respect of prior years	329	141

	2021–22	2020–21
	£'000	£'000
Total deferred tax charge credit	212	915
Income tax (credit)/expense	5,623	5,887

(b) Reconciliation of income tax expense

	2021–22	2020–21
	£'000	£'000
Profit before income tax expense	29,031	29,946
Tax on profit at the standard rate of 19% (2021: 19%)	5,516	5,690
Reasons affecting charge for the period:		
Prior year adjustments	(82)	205
Impact of rate change	175	—
Impact of income/expenses not deductible	14	(23)
Current year loss not recognised	—	15
Income tax (credit)/expense	5,623	5,887

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase to 25%. The proposal to increase the rate to 25% has been enacted at the Company's balance sheet date, therefore its effects have been included in these financial statements.

7. Dividends

	2021-22	2020-21
	£'000	£'000
Dividends	52,800	19,100

In March 2022, the Company declared a dividend of £52.8m for 2021-22 (2020-21 £19.1m). This comprises £12.8 million in line with the dividend policy in the Shareholder Framework Document, to declare annual dividends of 50% profit after tax, and an additional dividend amount of £40.0 million from our cash reserves as a further contribution to the public finances in 2021-22, in light of the Government's economic response to Covid-19.

8. Investments and loans

Group	2021-22	2020-21
	£'000	£'000
Value of shares at beginning of period	—	—
Additions	56	—
Value of shares at end of period	56	—

Company	2021-22	2020-21
	£'000	£'000
Value of shares at beginning of period	400	400
Additions	56	—
Value of shares at end of period	456	400
Value of loans at beginning of period	270	1,220
Additions	520	2,972
Impairment	(520)	(2,972)
Loan repayment	—	(950)
Value of loans at end of period*	270	270

Group and Company	2021–22	2020–21
	£'000	£'000
Value of loans at beginning of period	270	1,220
Additions	520	2,972
Impairment	(520)	(2,972)
Loan repayment	—	(950)
Value of loans at end of period*	270	270

*This loan is owed by Dennis Maps.

Expected credit loss measurement

IFRS9 outlines a three stage model for impairment based on changed in credit quality since initial recognition;

A financial instrument that is not credit impaired is classified in Stage 1 and has its credit risk continuously monitored by the group. If a significant increase in credit risk since initial recognition is identified the instrument is moved to Stage 2, but is not yet deemed to be credit impaired. If the financial instrument is credit impaired the financial instrument is then moved to Stage 3.

The group defines credit impairment using the following criteria;

The borrower meets unlikely to pay criteria, which indicates borrower is in significant financial difficulty. The borrower is insolvent. The borrower continues to rely on Group support to meet its liabilities as they fall due. The borrower does not have a viable financial plan that indicate likelihood of repayment.

Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime losses that result from default events within the next 12 months. Instruments in Stage 2 or 3 have their losses measured on the basis of expected credit losses over their lifetime.

Impairment of financial assets

In determining the expected credit losses for these assets, the directors of the Company have taken into account the historical default experience, the financial position of the counter parties, as well as the future prospects of the industries in which the subsidiaries operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for these financial assets. The gross value of these loans is £9.6m.

Lifetime ECL**Loans to
Subsidiaries***

£'000

Balance as at 1 April 2020

(18,303)

Increase in loss allowance
arising from new financial assets
recognised in the year

(2,972)

Balance as at 31 March 2021

(21,275)

Increase in loss allowance
arising from new financial assets
recognised in the year

(1,052)

Decrease in loss allowance
arising from derecognition of
financial assets in the year

12,717

Balance as at 31 March 2022**(9,610)**

*This includes other financial assets with subsidiaries.

Loans to Ordnance Survey International Services Limited are repayable on demand. Interest is charged to Ordnance Survey International Limited at 3%. The interest earned and unpaid forms part of the impairment balance.

Ordnance Survey Limited owns 100% of the ordinary shares in Ordnance Survey Leisure Limited (3,924,000 shares at £1 a share).

Ordnance Survey Limited owns 100% of the ordinary shares in Ordnance Survey International Services

Limited (1 share at £1 a share).

Ordnance Survey Limited previously owned 51% of the ordinary shares in Astigan Limited (312,245 shares at £1 a share) and 100% of the preference shares in Astigan Limited (787,756 shares at £1 a share). The loans were waived in January 2022 and the investment is fully impaired in the Company accounts and the company was struck off post year end. As a result of the winding up, no further interest is payable on the loan.

Ordnance Survey International LLP does not have share capital. Ordnance Survey appoints 100% of the Board members and has a 100% profit share in accordance with a members' agreement.

Due to uncertainties in future cash flows to Ordnance Survey International Services Limited the loan is impaired. Due to the decision to wind down the Astigan project the loan was waived in January 2022.

9. Joint ventures and associates

Details of the Company’s subsidiaries at 31 March 2022 are as follows:

Name of subsidiary	Principal activity	Country of incorporation	Proportion of control/ordinary shares held
Ordnance Survey Leisure Limited	Consumer web	England and Wales	100%
Ordnance Survey International Services Limited	International consultancy	England and Wales	100%
Astigan Limited	Wind down	England and Wales	51%
Ordnance Survey International Services FZ-LLZ	International consultancy	United Arab Emirates	100%
Ordnance Survey Partners Limited	Non-trading holding company	England and Wales	100%
Ordnance Survey International LLP	Dormant	England and Wales	100%

All subsidiaries are Registered at Explorer House, Adanac Drive, Southampton, Hampshire.

Ordnance Survey Limited has provided an unlimited bank guarantee to secure all bank liabilities of Ordnance Survey International LLP and Ordnance Survey International Services Limited. At the prior year end, the Group decided to end the project which is held within Astigan Limited. The investment is fully impaired and the Company was struck off in April 2022.

Details of the Company's joint ventures and associates at 31 March 2022 are as follows:

Name of joint ventures and associates	Principal activity	Country of incorporation	Proportion of control/ordinary shares held
GeoPlace LLP	National addressing	England and Wales	50%
PointX Limited	Point of Interest database	England and Wales	50%
Dennis Maps Limited	Map printers	England and Wales	25%

Joint ventures and associates

	2021-22	2020-21
	£'000	£'000
Share of profit/(loss)		
GeoPlace LLP	8,902	9,536
PointX Limited	70	69
Dennis Maps Limited	120	39
	9,092	9,644
Share of net assets		
GeoPlace LLP	3,500	3,600
PointX Limited	97	101
Dennis Maps Limited	322	201
	3,919	3,902

Other investments - GeoPlace LLP

The investment in GeoPlace LLP at 31 March 2022 is as follows:

	2021-22	2020-21
	£'000	£'000
Current assets		
Cash and cash equivalents	1,869	419
Other current assets	5,615	5,949
Total current assets	7,484	6,368
Current liabilities		
Other current liabilities	(2,818)	(1,568)
Total current liabilities	(2,818)	(1,568)
Net assets	4,666	4,800
Ordnance Survey share of net assets at 75%	3,500	3,600
	2021-22	2020-21
	£'000	£'000
Revenue	19,128	21,447
Interest income	—	5
Operating costs	(7,222)	(8,688)
Depreciation and amortisation	(38)	(50)
Operating profit	11,868	12,714
Ordnance Survey share of profit at 75%	8,901	9,536

GeoPlace LLP is a joint venture limited liability partnership set up in 2010-11 to develop and market a national addressing product. GeoPlace LLP commenced trading on 1 April 2011 and is not subject to UK Corporation Tax. GeoPlace LLP does not have share capital. Ordnance Survey appoints 50% of the Board Members of the LLP and has a 75% profit share in accordance with a members' agreement.

Dividends of £9.1m were received from GeoPlace LLP during the year (2020-21 £9.8m).

The registered office of GeoPlace LLP is Explorer House, Adanac Drive, Southampton, Hampshire, SO16 0AS.

The principal place of business of GeoPlace LLP is 157-197 Buckingham Palace Road, London, SW1W 9SP.

10. Intangible assets

Group

	Software	Data content	Assets under construction	Total
	£'000	£'000	£'000	£'000
Cost at 1 April 2020	91,895	55,576	26,008	173,479
Additions	52	—	22,484	22,536
Additions from assets under construction	16,881	—	(16,881)	—
Cost at 31 March 2021	108,828	55,576	31,611	196,015
Amortisation at 1 April 2020	(75,167)	(49,025)	(5,486)	(129,678)
Amortisation charge	(9,992)	(5,621)	—	(15,613)
Impairment	—	—	(1,808)	(1,808)
Amortisation at 31 March 2021	(85,159)	(54,646)	(7,294)	(147,099)
Net Book Value 31 March 2021	23,669	930	24,317	48,916

Group continued

	Software	Data content	Assets under construction	Total
	£'000	£'000	£'000	£'000
Cost at 1 April 2021	108,828	55,576	31,611	196,015
Additions	209	—	23,726	23,935
Additions from assets under construction	34,218	—	(34,218)	—
Disposals	(37)	—	(4,253)	(4,290)
Cost at 31 March 2022	143,218	55,576	16,866	215,660
Amortisation at 1 April 2021	(85,159)	(54,646)	(7,294)	(147,099)
Amortisation charge	(13,947)	(697)	—	(14,644)
Impairment	(1,352)	—	—	(1,352)
Released on disposals	37	—	4,253	4,290
Amortisation at 31 March 2022	(100,421)	(55,343)	(3,041)	(158,805)
Net Book Value 31 March 2022	42,797	233	13,825	56,855

Individual material assets include:

The geoproduction system, current year carrying value £14.1m (2020-21 £11.1m), the asset will be amortised over ten years once brought into life.

The replacement enterprise resource planning system, current year carrying value £7.3m (2020-21 £2.2m), the asset will be amortised over ten years once brought into life.

Systems of engagement, current year carrying value £6.6m (2020-21 £1.0m), the asset will be amortised over five years once brought into life.

Common Services Data Platform, current year carrying value £5.6m (2020-21 £2.2m), the asset will be amortised over five years once brought into life.

10. Intangible assets *continued*

Company

	Software	Data content	Assets under construction	Total
	£'000	£'000	£'000	£'000
Cost at 1 April 2020	91,895	55,576	26,008	173,479
Additions	52	—	22,484	22,536
Additions from assets under construction	16,881	—	(16,881)	—
Cost at 31 March 2021	108,828	55,576	31,611	196,015
Amortisation at 1 April 2020	(75,167)	(49,025)	(5,486)	(129,678)
Amortisation charge	(9,992)	(5,621)	—	(15,613)
Impairment	—	—	(1,808)	(1,808)
Amortisation at 31 March 2021	(85,159)	(54,646)	(7,294)	(147,099)
Net Book Value 31 March 2021	23,669	930	24,317	48,916

Company continued

	Software	Data content	Assets under construction	Total
	£'000	£'000	£'000	£'000
Cost at 1 April 2021	108,791	55,576	27,358	191,725
Additions	209	—	23,726	23,935
Additions from assets under construction	34,218	—	(34,218)	—
Disposals	(37)	—	(4,253)	(4,290)
Cost at 31 March 2022	143,218	55,576	16,866	215,660
Amortisation at 1 April 2021	(85,159)	(54,646)	(3,041)	(142,809)
Amortisation charge	(13,947)	(697)	—	(14,644)
Impairment	(1,352)	—	—	(1,352)
Released on disposals	37	—	4,253	4,290
Amortisation at 31 March 2022	(100,421)	(55,343)	(3,041)	(158,805)
Net Book Value 31 March 2022	42,797	233	13,825	56,855

Individual material assets include:

The geoproduction system, current year carrying value £14.1m (2020-21 £11.1m), the asset will be amortised over ten years once brought into life.

Systems of engagement, current year carrying value £6.6m (2020-21 £1.0m), the asset will be amortised over five years once brought into life.

Common Services Data Platform, current year carrying value £5.6m (2020-21 £2.2m), the asset will be amortised over five years once brought into life.

11. Property, plant and equipment

Group

	Land	Buildings	IT Equipment	Equipment, facilities and fixtures	Assets under construction	Total	Right of use assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost at 1 April 2020	6,300	22,544	10,666	2,976	—	42,486	7,391	49,877
Additions	—	—	2,360	—	351	2,711	415	3,126
Additions from assets under	—	—	221	—	(221)	—	—	—
Revaluations	—	—	—	—	—	—	(332)	(332)
Disposals	—	—	—	—	—	—	(429)	(429)
Cost at 31 March 2021	6,300	22,544	13,247	2,976	130	45,197	7,045	52,242
Depreciation at 1 April 2020	—	(3,162)	(7,283)	(2,168)	—	(12,613)	(2,186)	(14,799)
Depreciation charge	—	(634)	(1,761)	(242)	—	(2,637)	(2,508)	(5,145)
Released on disposals	—	—	—	—	—	—	429	429
Depreciation at 31 March 2021	—	(3,796)	(9,044)	(2,410)	—	(15,250)	(4,265)	(19,515)
Net Book Value 31 March 2021	6,300	18,748	4,203	566	130	29,947	2,780	32,727

Group continued

	Land	Buildings	IT Equipment	Equipment, facilities and fixtures	Assets under construction	Total	Right of use assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost at 1 April 2021	6,300	22,544	13,247	2,976	130	45,197	7,045	52,242
Additions	—	—	1,800	—	618	2,418	3,755	6,173
Additions from assets under construction	—	—	295	376	(671)	—	—	—
Disposals	—	—	—	(201)	—	(201)	(2,379)	(2,580)
Cost at 31 March 2022	6,300	22,544	15,342	3,151	77	47,414	8,421	55,835
Depreciation at 1 April 2021	—	(3,796)	(9,044)	(2,410)	—	(15,250)	(4,265)	(19,515)
Depreciation charge	—	(634)	(2,121)	(159)	—	(2,914)	(2,142)	(5,056)
Released on disposals	—	—	—	201	—	201	2,379	2,580
Depreciation at 31 March 2022	—	(4,430)	(11,165)	(2,368)	—	(17,963)	(4,028)	(21,991)
Net Book Value 31 March 2022	6,300	18,114	4,177	783	77	29,451	4,393	33,844

Right of use assets consist primarily of leased properties, vehicles for our field surveyors and planes used for aerial data capture. The Group received income of £180k (2020-21 £178k) from sub-letting right of use assets during the year.

Company

	Land	Buildings	IT Equipment	Equipment, facilities and fixtures	Assets under construction	Total	Right of use assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost at 1 April 2020	6,300	22,544	10,666	2,775	—	42,285	7,205	49,490
Additions	—	—	2,360	—	351	2,711	415	3,126
Additions from assets under construction	—	—	221	—	(221)	—	—	—
Revaluations	—	—	—	—	—	—	(332)	(332)
Disposals	—	—	—	—	—	—	(243)	(243)
Cost at 31 March 2021	6,300	22,544	13,247	2,775	130	44,996	7,045	52,041
Depreciation at 1 April 2020	—	(3,162)	(7,283)	(2,046)	—	(12,491)	(2,003)	(14,494)
Depreciation charge	—	(634)	(1,761)	(163)	—	(2,558)	(2,505)	(5,063)
Released on disposals	—	—	—	—	—	—	243	243
Depreciation at 31 March 2021	—	(3,796)	(9,044)	(2,209)	—	(15,049)	(4,265)	(19,314)
Net Book Value 31 March 2021	6,300	18,748	4,203	566	130	29,947	2,780	32,727

Company continued

	Land	Buildings	IT Equipment	Equipment, facilities and fixtures	Assets under construction	Total	Right of use assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost at 1 April 2021	6,300	22,544	13,247	2,775	130	44,996	7,045	52,041
Additions	—	—	2,095	376	618	3,089	3,755	6,844
Additions from assets under construction	—	—	—	—	(671)	(671)	—	(671)
Disposals	—	—	—	—	—	—	(2,379)	(2,379)
Cost at 31 March 2022	6,300	22,544	15,342	3,151	77	47,414	8,421	55,835
Depreciation at 1 April 2021	—	(3,796)	(9,044)	(2,209)	—	(15,049)	(4,265)	(19,314)
Depreciation charge	—	(634)	(2,121)	(159)	—	(2,914)	(2,142)	(5,056)
Released on disposals	—	—	—	—	—	—	2,379	2,379
Depreciation at 31 March 2022	—	(4,430)	(11,165)	(2,368)	—	(17,963)	(4,028)	(21,991)
Net Book Value 31 March 2022	6,300	18,114	4,177	783	77	29,451	4,393	33,844

The right of use assets are the same as those reported for Group. See page 238.

12. Inventories

Company and Group	2021-22	2020-21
	£'000	£'000
Finished goods	3,073	2,316
	3,073	2,316

During the year, Ordnance Survey wrote off and made allowance for potentially unsaleable stock of £136k (2020-21: £118k).

13. Trade and other receivables

Group	2021-22	2020-21
	£'000	£'000
Trade receivables	5,957	6,718
Allowance for doubtful debts	(275)	(94)
	5,682	6,624
Other receivables	297	291
Taxation and social security receivable	2,860	2,341
Accrued income	5,191	4,725
Prepayments	8,019	7,603
	22,049	21,584

Company	2020-21	2019-20
	£'000	£'000
Trade receivables	5,530	6,077
Allowance for bad debts	(275)	(94)
	5,255	5,983
Other receivables	284	276
Taxation and social security receivable	2,713	2,265
Accrued income	4,600	4,166
Prepayments	8,003	7,582
Accrued income due from Group undertakings	554	396
	21,409	20,668

The total bad debts written off in year were £12k (2020-21: £nil).

Loans to Ordnance Survey International Services Limited are repayable on demand. Interest is charged to Ordnance Survey International Limited at 3%.

The fair value of trade and other receivables is not materially different to the book values above.

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on a regular basis.

14. Cash and cash equivalents

Group	2021-22	2020-21
	£'000	£'000
Balance held at Govenment Banking Service	89,102	102,141
Balance held in commercial banks and cash in hand	21,025	16,292
	110,127	118,433
Company	2021-22	2020-21
	£'000	£'000
Balance held at Government Banking Service	89,102	102,126
Balance held in commercial banks and cash in hand	9,961	10,576
	99,063	112,702

15. Trade and other payables

Group	2021-22	2020-21
	£'000	£'000
Trade payables	2,465	2,633
Taxation and social security payable	3,252	2,514
Other payables	1,317	1,511
Accruals	12,490	12,438
Dividend payable	52,800	19,100
	72,324	38,196
Company	2021-22	2020-21
	£'000	£'000
Trade payables	2,465	2,575
Taxation and social security payable	3,252	2,475
Other payables	1,318	1,510
Accruals	12,235	12,094
Dividend payable	52,800	19,100
Inter-company payable	6	770
	72,076	38,524

The trade payables balance for both Group and Company includes long term payables of £nil (2020-21: £nil).

The fair value of trade and other payables is not materially different to the book values above.

16. Lease liabilities

Total liabilities as at 31 March.

Group	2021-22	2020-21
	£'000	£'000
Less than one year	(2,006)	(1,817)
One to five years	(2,441)	(1,022)
Total liabilities at 31 March	(4,447)	(2,839)
Current	(2,006)	(1,817)
Non-current	(2,441)	(1,022)
Company	2021-22	2020-21
	£'000	£'000
Less than one year	(2,006)	(1,817)
One to five years	(2,441)	(1,022)
Total liabilities at 31 March	(4,447)	(2,839)
Current	(2,006)	(1,817)
Non-current	(2,441)	(1,022)

17. Current tax asset/liability

Group	2021-22	2020-21
	£'000	£'000
Corporation Tax	1,252	1,508
Company	2021-22	2020-21
	£'000	£'000
Corporation Tax	2,058	1,508

18. Provisions for liabilities and charges

Group	Restructuring provision	Provision for Dilapidations	Other	Total
	£'000	£'000	£'000	£'000
As at 1 April 2021	587	326	—	913
Additional provision in year	83	51	—	134
Utilisation of provision	(587)	(119)	—	(706)
As at 31 March 2022	83	258	—	341

	2021–22	2020–21
	£'000	£'000
Included in current liabilities	83	707
Included in non–current liabilities	258	206
	341	913

The above amount is estimated as falling due as follows:

	Current liabilities	Non–current liabilities
	£'000	£'000
2022–23	83	—
2023–24	—	258
2024–25	—	—
	83	258

Provisions are un-discounted as the effect is immaterial.

Provisions for liabilities and charges *continued*

Company	Restructuring provision	Provision for Dilapidations	Other	Total
	£'000	£'000	£'000	£'000
As at 1 April 2021	473	326	—	799
Additional provision in year	83	51	—	134
Utilisation of provision	(473)	(119)	—	(592)
As at 31 March 2022	83	258	—	341

	2021-22	2020-21
	£'000	£'000
Included in current liabilities	83	593
Included in non-current liabilities	258	206
	341	799

The above amount is estimated as falling due as follows:

	Current liabilities	Non- current liabilities
	£'000	£'000
2022-23	83	—
2023-24	—	258
2024-25	—	—
	83	258

Provisions are un-discounted as the effect is immaterial.

19. Deferred revenue

Group	2021-22	2020-21
	£'000	£'000
Current deferred revenue	24,124	26,843
Non-current deferred revenue	974	2,450
	25,098	29,293

Company	2021-22	2020-21
	£'000	£'000
Current deferred revenue	20,778	24,408
Non-current deferred revenue	974	2,450
	21,752	26,858

20. Deferred tax liability/asset

Group	Note	Losses	Provisions	Fixed assets	Total
		£'000	£'000	£'000	£'000
At 1 April 2020		697	141	(437)	401
(Charged)/credited to the income statement		(697)	(32)	(165)	(894)
At 31 March 2021		—	109	(602)	(493)
(Charged)/credited to the income statement		—	142	(354)	(212)
At 31 March 2022	13	—	251	(956)	(705)
Company	Note	Losses	Provisions	Fixed assets	Total
		£'000	£'000	£'000	£'000
At 1 April 2020		—	141	(443)	(302)
(Charged)/credited to the income statement		—	(32)	(165)	(197)
At 31 March 2021		—	109	(608)	(499)
(Charged)/credited to the income statement		—	142	(404)	(262)
At 31 March 2022	13	—	251	(1,012)	(761)

Ordnance Survey Leisure Limited

Ordnance Survey Leisure Limited generated a current year profit before tax of £4,271,000 (2020-21 profit: £3,670,000).

Astigan Limited

Due to the group's holding in Astigan Limited, losses before tax of £490,000 (2020-21: £77,000) are included within the group's profit for the year. On this loss no amounts are due in respect of Corporation Tax. As an entity, Astigan Limited had estimated tax losses of £13,566,000 (2020-21 £13,076,000) available to carry forward against future profits of the same trade. No deferred tax asset has been recognised as the company was struck off post year end.

21. Share capital

Group and Company

	£'000
Balance as at 1 April 2020	34,000
Balance as at 31 March 2021	34,000
Balance as at 1 April 2021	34,000
Balance as at 31 March 2022	34,000

The company has issued 34,000,002 ordinary shares of £1 each.

No shares in Ordnance Survey Limited are held by or on behalf of its subsidiaries undertakings.

22. Operating lease commitments

Group and Company	2021-22 £'000	2020-21 £'000
Minimum lease payments under operating leases as an expense in the year	770	225

As at 31 March 2022, Ordnance Survey Ltd has future minimum lease payments under non-cancellable operating leases as set out below:

Group and Company	2021-22 £'000	2020-21 £'000
Within one year	41	17

23. Contingent liabilities and contingent assets

No significant contingent assets or liabilities noted for current year.

24. Capital commitments

At 31 March 2022, the company had the following capital commitments:

	2021-22 £'000	2020-21 £'000
Contracts for future capital expenditure not provided in the financial statements	—	—

25. Financial instruments

The Group’s financial instruments comprise cash deposits and other items such as trade receivables, receivables owing from joint ventures, trade payables, provisions and loans. The main purpose of these financial instruments is to finance the Group’s operations.

The main risks arising from the Group’s financial instruments are credit and liquidity risks. The Group’s policies for managing these risks are set to achieve compliance with the regulatory framework. The Group follows Government Accounting rules, negotiating contracts with suppliers or contractors in sterling or major international currencies such as the euro. The Group’s policy during the year on routine transactional conversions between currencies (for example, the collection of receivables and the settlement of payables) remained that these should be affected at the relevant spot exchange rate.

Credit risk

The Group is exposed to credit risk through its trade receivables over a number of sectors. The Credit Policy has a deemed level of risk acceptance for commercial business and higher credit risks are subject to credit checking using external sources such as Dun & Bradstreet® and Experian®.

Covid-19 has increased credit risk across the World. The Group continues to closely monitor all credit risk, with particular focus on sectors impacted by Covid-19.

Generally, payment terms are 30 days from date of invoice except in the consumer sector, where payment terms of 60 or 90 days prevail. The profile of debt not impaired is shown below:

	2021–22		
	Gross	Expected credit losses	Net
	£'000	£'000	£'000
Not yet due	5,649	—	5,649
Past due 0–30 days	252	—	252
Past due 31–60 days	123	(63)	60
Past due 61–90 days	(315)	—	*(315)
Past 90 days	248	(212)	179

	2020-21		
	Gross	Expected credit losses	Net
	£'000	£'000	£'000
Not yet due	4,418	(3)	4,415
Past due 0-30 days	1,813	—	1,813
Past due 31-60 days	42	—	42
Past due 61-90 days	175	—	175
Past 90 days	270	(91)	179

*This is a negative value due to unallocated payments on account made by customers.

In arriving at the impairment against trade receivables the following have been taken into account:

- An individual account-by-account a rate for each debt tranche, applying this to the debt tranche at the end of the period.
- Any prior knowledge of debtor insolvency or other credit risk.
- As a result of the Covid-19 pandemic, the Group are closely monitoring all trade receivables from high risk sectors and have made impairment against trade receivables where judged appropriate.

Disclosures on credit risk related to inter-company loans are provided in note 8.

Interest rate risk

The Group finances its operations through equity and retained profits thus is not exposed to interest rate risk.

Liquidity risk

The Group has maintained short-term liquidity throughout the year by management of its cash deposits.

Foreign exchange risk

The Group's activities expose it primarily to the financial risks of changes in foreign currencies. The sensitivity analysis below has been determined based on the exposure to foreign exchange on the financial instrument balances at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. An increase of 5% of foreign exchange versus sterling would result in a reduction of the Group's profit by £26k (2020-21: £12k).

Fair value hierarchy

IFRS 7 requires that an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels one to three based on the degree to which the fair value observable is given. The levels are as follows:

Level one	Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level two	Fair value measurements are those derived from inputs other than quoted prices included within Level one that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level three	Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). The Group's financial instruments, recognised at fair value, all fall into the level three categorisation.

Interest rate risk profile

The interest rate profile of the Group's financial assets and liabilities at 31 March 2022 are set out below. All balances are held in sterling:

Group

Financial assets	2021–22		
	Fixed rate	Floating rate	Total
	£'000	£'000	£'000
Cash at bank	—	110,127	110,127

Financial assets	2020–21		
	Fixed rate	Floating rate	Total
	£'000	£'000	£'000
Cash at bank	—	118,433	118,433

26. Contract assets and contract liabilities

Group	2021-22	2020-21
	£'000	£'000
Revenue recognised in the period from: Amounts included in contract liability at the beginning of the period	5,462	5,408
Revenue received in the period from: Performance obligations satisfied in previous periods	498	615

The Group receives payments from customers based on the invoicing schedule, as established in the contracts. Contract assets relate to the groups conditional right to consideration for completed performance under the contract. Accounts receivable are recognised when the right to consideration becomes unconditional. Contract liability relates to payments received in advance of performance under the contract. Contract liabilities are recognised as revenue we perform under the contract. No contract asset were impaired in the financial year ended 31 March 2022.

27. Related parties

All transactions with actual or potential related parties are carried out at an arm's length basis.

The Company is wholly owned by the Secretary of State for Business, Energy & Industrial Strategy which is a ministerial department of HM Government. The Secretary of State for Business, Energy & Industrial Strategy is regarded as a related party as it has both an ownership and customer role.

In the course of its normal business the Group provides mapping data and licences to both the private and public sectors.

During the year the Group had a significant number of material transactions with other governmental departments and central government bodies. Most of these transactions have been with the Secretary of State for Business, Energy & Industrial Strategy, Land Registry, the Scottish Government and the Cabinet Office.

No other Board member, senior management or other related party has undertaken any material transactions with Ordnance Survey during the year. Compensation paid to management in the ordinary course of Group operations is given in the Remuneration Report.

Ordnance Survey Leisure Limited, is 100% owned by the company. At the 31 March 2022, Nicholas Giles and Steven Showell represented the company as Directors of Ordnance Survey Leisure Limited.

Ordnance Survey International Services Limited, is 100% owned by the company. At the 31 March 2022, Paul French and Steven Showell represented the company as Directors of Ordnance Survey International Services Limited.

Ordnance Survey International LLP is a joint venture in which the Company indirectly controls 100% of voting rights. At the 31 March 2022, Steven Showell represented the Company on the Board of Ordnance Survey International LLP.

Astigan Limited was 51% owned by Ordnance Survey. At the 31 March 2022, Stephen Lake represented the company as Director of Astigan Limited. Astigan Limited was subsequently struck off post year end.

GeoPlace LLP is a joint venture LLP with Local Government Association. At 31 March 2022, John Kimmance and Paul French represented the Company on the Board of GeoPlace.

PointX Limited is an associate. At the 31 March 2022, David Henderson and Luc Mathew represented the Company as directors of PointX Limited.

Dennis Maps Limited is an associate. At the 31 March 2022, Nicholas Giles, Steven Showell and

Hazel Hendley represented the Company as directors of Dennis Maps Limited.

The results of Ordnance Survey Leisure Limited, Ordnance Survey International LLP, Astigan Limited, GeoPlace LLP, PointX Limited and Dennis Maps Limited are included in the consolidated financial statements as described in the accounting policies.

28. Control

The immediate parent undertaking and ultimate controlling part of the Company is the Secretary of State for Business, Energy & Industrial Strategy on behalf of HM Government.

The annual report and accounts for the Secretary of State for Business, Energy & Industrial Strategy on behalf of HM Government is available at:

www.gov.uk/government/publications

29. Post balance sheet events

There are no events after the reporting period requiring adjustment to, or disclosure in, the financial statements.

Head Office:

Explorer House
Adanac Drive
Southampton
SO16 0AS
United Kingdom

Unique Property Reference Number (UPRN):
200010019924

Ordnance Survey Grid Reference:
SU 37294 15540

Latitude: 50 56 15.75 N,
Longitude: 1 28 13.56 W, Height: 73.84m

+44 (0) 3456 050505

www.os.uk



E02715128

ISBN 978-1-5286-3424-3