

Registration number: 02324094

Serco International Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2021

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Serco International Limited

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Serco International Limited

Company Information

Directors N Girnary
P Boyle

Company secretary D Eveleigh

Registered number 02324094

Registered office Serco House
16 Bartley Wood Business Park
Bartley Way, Hook
Hampshire, RG27 9UY

Auditor KPMG LLP
15 Canada Square
London
United Kingdom
E14 5GL

Serco International Limited

Directors' Report

for the Year Ended 31 December 2021

The Directors present their report and the financial statements for the year ended 31 December 2021.

Directors of the Company

The Directors who held office throughout the year, and subsequently to the date of this report, unless otherwise stated, were as follows:

N Crossley (resigned on 14 April 2021)

N Girnary (appointed on 14 April 2021)

S J Haydon (resigned on 25 June 2022)

P Boyle (appointed on 25 June 2022)

The Directors have benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Principal activity

Serco International Limited (the 'Company') is a non-trading entity, with its only activity being the accrual of interest receivable from a loan to Serco Group plc (the 'Group'). On 15 September 2022, the Directors took the decision to liquidate the Company following the settlement of its remaining net assets, so they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 2.

Results and dividends

The profit for the financial year, after tax is £nil (2020: £81k).

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

Principal risks and uncertainties

The Company's principal financial instruments are its intercompany receivables. The Directors do not consider that the Company is exposed to significant interest rate or liquidity risk. Financial risk management for Serco Group is undertaken by Serco Group plc. The Group's risk register is regularly updated and periodically discussed at Serco Group plc board meetings.

Going concern

The Company has net current assets of £66,214k as at 31 December 2021 (2020: £66,214k) including net intercompany receivables of £66,214k (2020: £66,214k) and a profit for the year £nil (2020: £81k). The financial statements have been prepared on a basis other than going concern as it currently has no trading activity or intention to trade in the future. No adjustments were required as a result of preparing the financial statements on a basis other than going concern.

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2020: £nil).

Disclosure of information to auditor

The Directors have taken steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Serco International Limited

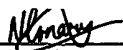
Directors' Report (continued) for the Year Ended 31 December 2021

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The Directors have taken advantage of the small companies exemptions provided by section 414B of the Companies Act 2006 not to provide a Strategic Report.

Approved by the Board on 15 September 2022 and signed on its behalf by:


Nazim Girmay (Sep 15, 2022 15:22 GMT+1)

N Girmay
Director

Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101').

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 year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so (as explained in note 2, the Directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Members of Serco International Limited

Opinion

We have audited the financial statements of Serco International Limited (the 'Company') for the year ended 31 December 2021, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its results for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Emphasis of matter - non-going concern basis of preparation

We draw attention to the disclosures made in note 2 to the financial statements which explain that the financial statements are now not prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of directors as to the Serco Group Plc's policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

We performed procedures including agreeing all accounting entries in the period to supporting documentation.

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

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

Independent Auditor's Report to the Members of Serco International Limited (continued)

Fraud and breaches of laws and regulations - ability to detect (continued)

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

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

This Company, as a non-trading company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

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

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

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

Directors' Report

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

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

- we have not identified material misstatements in the Directors' Report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

Independent Auditor's Report to the Members of Serco International Limited (continued)

Directors' responsibilities

As explained more fully in their statement set out on page 4, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

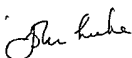
Auditor's responsibilities

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

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

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

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



.....
John Luke (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

15 Canada Square
London United Kingdom
E14 5GL

Date: Sep 16, 2022

Serco International Limited

Profit and Loss Account

for the Year Ended 31 December

	<i>Note</i>	<i>2021</i> <i>£ 000</i>	<i>2020</i> <i>£ 000</i>
Interest receivable and similar income	3	-	81
Profit before tax		-	81
Tax on profit on ordinary activities	7	-	-
Profit for the financial year		-	81

The above results were derived from discontinued operations.

There were no items of other comprehensive income, and accordingly no statement of comprehensive income is shown.

The notes on pages 11 to 15 form an integral part of these financial statements.

Serco International Limited

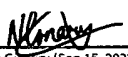
Balance Sheet

as at 31 December

Registration number: 02324094

	Note	2021 £ 000	2020 £ 000
Current assets			
Debtors: amounts falling due after more than one year	8	<u>66,214</u>	<u>66,214</u>
Net assets		<u>66,214</u>	<u>66,214</u>
Capital and reserves			
Called up share capital	9	-	-
Share premium reserve		62,330	62,330
Profit and loss account		<u>3,884</u>	<u>3,884</u>
Shareholder's funds		<u>66,214</u>	<u>66,214</u>

The financial statements were approved by the Board on 15 September 2022 and signed on its behalf by:


Nazim Girmay (Sep 15, 2022 15:22 GMT+1) ...
N Girmay
Director

The notes on pages 11 to 15 form an integral part of these financial statements.

Serco International Limited

Statement of Changes in Equity

for the Year Ended 31 December

	<i>Called up share capital £ 000</i>	<i>Share premium reserve £ 000</i>	<i>Profit and loss account £ 000</i>	<i>Total £ 000</i>
At 1 January 2020	-	62,330	3,803	66,133
Profit for the year	-	-	81	81
At 31 December 2020	-	62,330	3,884	66,214
At 1 January 2021	-	62,330	3,884	66,214
Profit for the year	-	-	-	-
At 31 December 2021	-	62,330	3,884	66,214

The notes on pages 11 to 15 form an integral part of these financial statements.

Serco International Limited

Notes to the Financial Statements

for the Year Ended 31 December

1 General information

The Company is a private company limited by share capital, incorporated and domiciled in the United Kingdom.

The address of its registered office is:

Serco House
16 Bartley Wood Business Park
Bartley Way, Hook
Hampshire, RG27 9UY

The registered company number is 02324094. The nature of the Company's operations and its principal activities are set out in the Directors' Report on page 2.

These financial statements are presented in pounds Sterling because that is the currency of the primary economic environment in which the Company operates.

The level of rounding is to the nearest thousand ('000) unless otherwise stated.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("UK-Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

Summary of disclosure exemptions

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share based payments, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions.

This is because the Company is included within the consolidated financial statements of Serco Group plc which are available from the address provided in note 10.

The financial statements have been prepared on the historical cost basis and on a basis other than going concern, except for the revaluation of certain financial instruments which are on a Fair Value basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Notes to the Financial Statements (continued)

for the Year Ended 31 December

2 Accounting policies (continued)

New and amended standards and interpretations

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2021.

- Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16); and
- Amendments to IFRS 16 Covid-19 Related Rent Concessions beyond 30 June 2021.

These amendments had no impact on the financial statements of the Company.

Going concern

In previous years, the financial statements have been prepared on a going concern basis. However, on 15 September 2022 the Directors took the decision to close the Company, as it has not traded for many years and there is no intention to find a replacement trade. Accordingly the Directors have not prepared the financial statements on a going concern basis. No adjustments were required as a result of preparing the financial statements on a basis other than going concern.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Tax

The tax expense represents the sum of current tax expense and deferred tax expense.

Current tax expense is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Trade receivables

Trade receivables are amounts owed by group companies for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are measured at transaction price less any impairment in accordance with IFRS 9.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Serco International Limited

Notes to the Financial Statements (continued) for the Year Ended 31 December

3 Interest receivable and similar income

	2021 £ 000	2020 £ 000
Interest receivable from group undertakings	-	81

4 Staff costs

The Company had no employees, other than the director, during either the current year or preceding financial.

5 Directors' remuneration

The Company considers that there is no practicable method to accurately allocate a portion of the emoluments the Directors receive from their respective Group company employer to the qualifying services they provide to the Company.

6 Auditor's remuneration

Auditor's remuneration of £2k (2020: £2k) for the audit of the Company's annual accounts was borne by another group company in both the current and preceding financial years. There have been no non-audit fees incurred by the Company during the year (2020: £nil).

7 Tax

Tax charged in the profit and loss account:

	2021 £ 000	2020 £ 000
Current taxation		
UK corporation tax	-	-
Adjustments in respect of prior years	-	-
	-	-

Serco International Limited

Notes to the Financial Statements (continued) for the Year Ended 31 December

7 Tax (continued)

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK of 19% (2020: lower than the standard rate of corporation tax in the UK of 19%).

The differences are reconciled below:

	2021 £ 000	2020 £ 000
Profit before tax	-	81
Corporation tax at standard rate	-	15
Group relief for nil consideration	-	(15)
Total tax charge	-	-

Factors affecting future tax rate

A UK corporation rate of 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This may increase the Company's future current tax charge accordingly. However, there is no impact of this change on the tax charge in the current year as there are no instances of deferred taxation recognised in the profit or loss account or directly in equity in either the current or prior year.

8 Debtors: amounts falling due after more than one year

	2021 £ 000	2020 £ 000
Amounts owed by group companies	66,214	66,214

Amounts owed by group undertakings are receivable on demand and bear interest based on LIBOR minus 0.2%.

9 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary share capital of £1 each	9	9	9	9

Serco International Limited

Notes to the Financial Statements (continued) for the Year Ended 31 December

10 Parent and ultimate parent undertaking

The Company's immediate parent is Serco Holdings Limited.

The ultimate parent and controlling party is Serco Group plc, a company incorporated in the United Kingdom and registered in England and Wales. Serco Group plc is the parent undertaking of the smallest and largest group to consolidate these financial statements. These financial statements are available upon request from the Company Secretary, Serco Group plc, Serco House, 16 Bartley Wood Business Park, Bartley Way, Hook, Hampshire, RG27 9UY.