

REGISTERED NUMBER: 02973624 (England and Wales)

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 March 2022
for
Semperian (Fazakerley) Limited



Semperian (Fazakerley) Limited (Registered number: 02973624)

**Contents of the Financial Statements
for the Year Ended 31 March 2022**

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Semperian (Fazakerley) Limited

**Company Information
for the Year Ended 31 March 2022**

Directors:

D R Hardingham
A C Ritchie

Secretary:

Semperian Secretariat Services Limited

Registered office:

Third Floor Broad Quay House
Prince Street
Bristol
BS1 4DJ

Registered number:

02973624 (England and Wales)

Independent auditors:

PricewaterhouseCoopers LLP
Chartered Accountants & Statutory Auditors
2 Glass Wharf
Temple Quay
Bristol
BS2 0FR

Semperian (Fazakerley) Limited (Registered number: 02973624)

**Strategic Report
for the Year Ended 31 March 2022**

The directors have pleasure in presenting their strategic report for the year ended 31 March 2022.

Principal activities and business review

The principal activity of the company is a holding company with a single subsidiary, Fazakerley Prison Services Limited. Its registered number is 02973624. The company is a private company limited by shares.

Fazakerley Prison Services Limited is engaged under a 28 year contract signed on 20 December 1995 for the provision of the design, construction and management services, including related financing arrangements for a prison, HMP Altcourse, at Fazakerley in Liverpool. The contract ends on 30 May 2023 and the company will cease trading after that date. As a result of this, the financial statements of Fazakerley Prison Services limited have been prepared on a basis other than going concern, see Note 2 'Basis of preparation'.

The directors consider the performance of the company during the year and the financial position at the end of the year to be in line with expectation of the project at this stage of the contract, and its prospects for the future to be satisfactory.

The profit for the financial year under review is set out in the statement of comprehensive income.

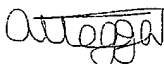
Principal risks and uncertainties, financial risk management and KPIs

As described above, Semperian (Fazakerley) Limited acts as a holding company for its subsidiary, Fazakerley Prison Services Limited. As such the principal risks, financial risk management and the Company's key performance indicators adopted by Fazakerley Prison Services Limited are applicable to the management of its investment in Fazakerley Prison Services Limited and are detailed in the Strategic report and Report of the directors of Fazakerley Prison Services Limited for the year ended 31 March 2022.

Future developments and performance

The directors consider the performance of the company during the year, the financial position at the end of the year and its prospects for the future to be satisfactory.

By order of the board:



.....
Semperian Secretariat Services Limited - Secretary

Date: 29 September 2022

Semperian (Fazakerley) Limited (Registered number: 02973624)

**Report of the Directors
for the Year Ended 31 March 2022**

The directors have pleasure in presenting their report and the audited financial statements of the company for the year ended 31 March 2022.

Dividends

The profit for the financial year amounted to £12,552,618 (2021: £3,941,000). Net assets at year end were £100 (2021: £100).

Dividends of £12,552,618, £125,526.00 per share (2021: £3,941,000, £39,410.00 per share) were paid during the year. No final dividends are proposed at the year-end (2021: £nil).

Future developments

No significant changes are expected to the company's activities in the foreseeable future other than those set out in the Strategic report.

Directors

The directors who served the company during the year and up to the date of signing the financial statements are set out below:

D R Hardingham

A C Ritchie

Director's liabilities

The company has purchased and maintained Directors' and Officers' liability insurance in respect of itself and its Directors. The indemnity was in force throughout the tenure of each Director during the last financial year, and is currently in force. This is a qualifying third-party indemnity as defined by Section 234 of the Companies Act 2006.

Financial risk management

As stated in the strategic report Semperian (Fazakerley) Limited acts as a holding company for its subsidiary, Fazakerley Prison Services Limited. As such the principal risks, financial risk management and the Company's key performance indicators adopted by Fazakerley Prison Services Limited are applicable to the management of its investment in Fazakerley Prison Services Limited and are detailed in the Strategic report and Report of the Directors of Fazakerley Prison Services Limited for the year ended 31 March 2022.

Coronavirus (COVID-19) impact on the financial statements

The COVID-19 outbreak has resulted in measures being and has resulted in the temporary closure of businesses and public services.

The company acts as a holding company for Fazakerley Prison Services Limited. The subsidiary company is engaged in an infrastructure project under a PFI contract. The company would therefore only be impacted by the coronavirus outbreak insofar as this impacted the performance of its subsidiary company. The impact of the coronavirus outbreak on Fazakerley Prison Services Limited is detailed in the Report of the Directors of that company's annual financial statements for the year ended 31 March 2022. There is expected to be no significant overall impact on performance over the life of the project. The opinion of the directors is that the coronavirus outbreak will have no impact on the company's ability to continue as a going concern.

Semperian (Fazakerley) Limited (Registered number: 02973624)

**Report of the Directors
for the Year Ended 31 March 2022**

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Strategic Report, Report of the Directors and Financial Statements and the financial statements in accordance with applicable law and regulation.

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

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

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

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

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

Directors' confirmations

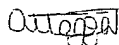
In the case of each director in office at the date the directors' report is approved:

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

Independent auditors

The auditors, PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors, have signified their willingness to continue in office.

By order of the board:



.....
Semperian Secretariat Services Limited - Secretary

Date: 29 September 2022

Independent auditors' report to the directors of Semperian (Fazakerley) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Semperian (Fazakerley) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Strategic Report, Report of the Directors and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 March 2022; Statement of Comprehensive Income and Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 2 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

Independent auditors' report to the directors of Semperian (Fazakerley) Limited (continued)

Reporting on other information

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

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

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

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

Strategic report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Report of the Directors for the year ended 31 March 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the 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 framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditors' report to the directors of Semperian (Fazakerley) Limited (continued)

Auditors' responsibilities for the audit of the financial statements

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

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

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

- Discussions with management and internal audit to enquire of any known instances of non-compliance with Laws and Regulations and Fraud
- Reading board minutes for evidence of breaches of regulations and reading relevant correspondence
- Challenging assumptions and judgements made by management in their significant accounting estimates
- Identifying and testing journal entries, in particular journal entries posted with unexpected account combinations
- Incorporating unpredictability into the nature, timing and/or extent of our testing

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

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

Use of this report

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

Independent auditors' report to the directors of Semperian (Fazakerley) Limited (continued)

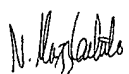
Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Nick Muzzlewhite (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
29 September 2022

Semperian (Fazakerley) Limited (Registered number: 02973624)

**Statement of Comprehensive Income
for the Year Ended 31 March 2022**

	Notes	2022 £	2021 £
Turnover		<u>-</u>	<u>-</u>
Operating profit		-	-
Income from shares in group undertakings	4	<u>12,552,618</u>	<u>3,941,000</u>
Profit before taxation	5	12,552,618	3,941,000
Tax on profit	6	<u>-</u>	<u>-</u>
Profit for the financial year		<u><u>12,552,618</u></u>	<u><u>3,941,000</u></u>

Semperian (Fazakerley) Limited (Registered number: 02973624)

**Balance Sheet
As at 31 March 2022**

	Notes	2022 £	2021 £
Fixed assets			
Investments	8	-	100
Current assets			
Investments	8	100	-
Total assets less current liabilities		<u>100</u>	<u>100</u>
Capital and reserves			
Called up share capital	9	<u>100</u>	<u>100</u>
Total shareholders' funds		<u>100</u>	<u>100</u>

The financial statements on pages 9 to 15 were approved by the Board of Directors and authorised for issue on 29 September 2022 and were signed on its behalf by:

David Hardingham

.....
D R Hardingham - Director

Semperian (Fazakerley) Limited (Registered number: 02973624)

**Statement of Changes in Equity
for the Year Ended 31 March 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2020	100	-	100
Changes in equity			
Total comprehensive income	-	3,941,000	3,941,000
Dividends	-	(3,941,000)	(3,941,000)
Balance at 31 March 2021	<u>100</u>	<u>-</u>	<u>100</u>
Changes in equity			
Total comprehensive income	-	12,552,618	12,552,618
Dividends	-	(12,552,618)	(12,552,618)
Balance at 31 March 2022	<u>100</u>	<u>-</u>	<u>100</u>

Semperian (Fazakerley) Limited (Registered number: 02973624)

**Notes to the Financial Statements
for the Year Ended 31 March 2022**

1. General information

The principal activity of the company is a holding company with a single subsidiary, Fazakerley Prison Services Limited. Its registered number is 02973624. Fazakerley Prison Services Limited is engaged under a 28 year contract signed on 20 December 1995 for the provision of the design, construction and management services, including related financing arrangements for a prison, HMP Altcourse, at Fazakerley in Liverpool.

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared on a basis other than going concern due to the cessation of the trade of the subsidiary company within twelve months of the signing of these financial statements and under the historical cost convention. Adopting a basis other than going concern has not had any impact on the recognition and measurement of the Group or Company's remaining assets or liabilities as at 31 March 2022. The balance sheet is stated at fair value. The accounting policies have been applied consistently, other than where new policies have been adopted. In assessing the company's ability to continue as a going concern the directors have considered the impact of Covid-19, as described in the Report of the Directors.

Financial Reporting Standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements to disclose related party transactions, for transactions with companies that are wholly owned within the same group; and
- certain financial instrument disclosures, provided such disclosures are included in the accounts of a group that includes the company.

Preparation of consolidated financial statements

The financial statements contain information about Semperian (Fazakerley) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Semperian PPP Investment Partners Holdings Limited, a company registered in Jersey.

Financial instruments

Measurement and recognition of financial instruments is in accordance with the provisions of FRS 102 s11 and s12. Financial instruments are recognised in the Statement of Financial Position when the company becomes party to the contractual provisions of the instrument.

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in Statement of Comprehensive Income.

Semperian (Fazakerley) Limited (Registered number: 02973624)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

2. Accounting policies - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Deferred tax assets are only recognised when it is considered more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Dividends

Final dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. Interim dividends are recognised when paid. These amounts are recognised in the statement of changes in equity.

Investments

Fixed asset investments are stated at historical cost less provisions for any impairment.

3. Critical accounting judgements and estimation uncertainty

Judgements, estimates and associated assumptions are based upon historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily available from other sources. Actual results may subsequently differ from these estimates.

The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates made are recognised in the period in which the estimate is revised, if the revision affects both current and future periods.

There are no critical accounting judgements or estimates adopted by management applicable to this company

Income from shares in group undertakings

	2022	2021
	£	£
Shares in group undertakings	<u>12,552,618</u>	<u>3,941,000</u>

5. Profit before taxation

The company had no employees during the year (2021: none). The directors have no contract of service with the company. No remuneration was paid to the directors in respect of their services to the company (2021: £nil) nor was the company recharged any amounts in respect of directors services to the company for either the current year or prior year.

The audit fee in respect of the company was £1,785 (2021: £1,730). All of these costs have been borne by the subsidiary and not recharged. There were no charges for non audit fees in the year (2021: £nil).

Semperian (Fazakerley) Limited (Registered number: 02973624)**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022****6. Tax on profit****Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower (2021: lower) than the standard rate of corporation tax in the UK. The difference is explained below:

	2022 £	2021 £
Profit before taxation	<u>12,552,618</u>	<u>3,941,000</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	2,384,997	748,790
Effects of:		
Income not taxable for tax purposes	<u>(2,384,997)</u>	<u>(748,790)</u>
Total tax charge	<u>-</u>	<u>-</u>

There is no provided or unprovided deferred tax at the year-end (2021: fnil).

In September 2022, the Government announced that from 1 April 2023 the corporation tax rate will not be increasing to 25%. At the balance sheet date, the proposal to cancel the previously enacted tax rise had not been substantively enacted, therefore, its effects are not included in these financial statements. However, it is likely that the overall effect of the change, had it been substantively enacted by the balance sheet date, due to the timing of this announcement its impact has not been quantified.

7. Dividends

	2022 £	2021 £
Interim dividend of £125,526 (2021: £39,410) per ordinary share	<u>12,552,618</u>	<u>3,941,000</u>

8. Investments

The company owns 100% (2021: 100%) of the issued ordinary share capital (£100) (2021: £100) of Fazakerley Prison Services Limited, the registered address of which is Third floor, Broad Quay House, Prince Street, Bristol, BS1 4DJ, and is engaged under a long term contract for the provision of the design, construction and management services, including related financing arrangements, for a prison. The cost of this investment is £100 (2021: £100). In the opinion of the directors the aggregate value of the investment in its subsidiary is not less than the carrying value in these financial statements.

9. Called up share capital**Allotted, issued and fully paid:**

Number:	Class:	Nominal value:	2022 £	2021 £
100 (2021: 100)	Ordinary	£1	<u>100</u>	<u>100</u>

Semperian (Fazakerley) Limited (Registered number: 02973624)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

10. Related party disclosures

As a fully controlled subsidiary of Semperian PPP Investment Partners Holdings Limited, the registered address of which is 47 Esplanade, St Helier, Jersey, JE1 0BD, the company has taken advantage of the exemption, under the terms of Financial Reporting Standard 102 paragraph 33.1A, not to disclose related party transactions between it and other group companies.

11. Immediate and ultimate parent and controlling party

The company's immediate parent is Semperian Joint Ventures Limited which is registered in England and Wales.

The ultimate parent and controlling party is Semperian PPP Investment Partners Holdings Limited which is registered in Jersey. The smallest group and largest group to consolidate these financial statements is Semperian PPP Investment Partners Holdings Limited.

Consolidated financial statements for Semperian PPP Investment Partners Holdings Limited can be obtained from the Company Secretary at Third floor, Broad Quay House, Prince Street, Bristol, BS1 4DJ.