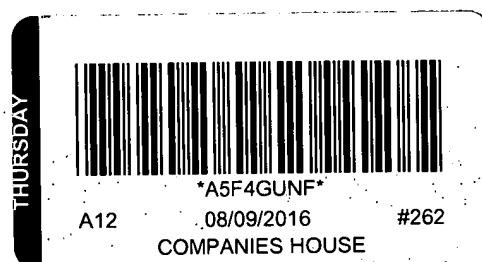


REGISTERED NUMBER: 03525161 (England and Wales)

**Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 March 2016
for
Education Care And Discipline Three
Limited**



**Education Care And Discipline Three
Limited (Registered number: 03525161)**

**Contents of the Financial Statements
for the Year Ended 31 March 2016**

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**Education Care And Discipline Three
Limited**

**Company Information
for the Year Ended 31 March 2016**

Directors:

C Burlton
A C Ritchie

Secretary:

Semperian Secretariat Services Limited

Registered office:

3rd Floor Broad Quay House
Broad Quay
Bristol
BS1 4DJ

Registered number:

03525161 (England and Wales)

Auditors:

PricewaterhouseCoopers LLP
Chartered Accountants & Statutory Auditors
2 Glass Wharf
Bristol
BS2 0RF

**Education Care And Discipline Three
Limited (Registered number: 03525161)**

**Strategic Report
for the Year Ended 31 March 2016**

The directors present their strategic report for the year ended 31 March 2016.

Principal activities and business review

The principal activity of the company is a holding company with a single subsidiary, ECD (Onley) Limited. Its registered number is 03525161.

ECD (Onley) Limited is engaged under a 16-year contract signed on 3 July 1998 for the provision of design, construction and management services, including related financing arrangements, for a secure training centre for juveniles, STC Rainsbrook, near Onley, Warwickshire. An agreement to extend and amend the contract from 20 May 2014 to 30 November 2015 was signed on 3 April 2014. As from the 30 November 2015 the company has ceased trading.

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

Principal risks and uncertainties, financial risk management and key performance


As described above, Education Care and Discipline Three Limited acts as a holding company for its subsidiary, ECD (Onley) Limited. As such the principal risks, financial risk management and key performance indicators adopted by ECD (Onley) Limited are applicable to the management of its investment in ECD (Onley) Limited and are detailed in the Strategic report and Directors' report of ECD (Onley) Limited for the year ended 31 March 2016.

Transition to FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under UK GAAP were for the year ended 31 March 2015. The date of transition to FRS 102 was 1 April 2014.

There were no changes to either the profit and loss account or balance sheet on conversion to FRS102.

By order of the board:



.....
Semperian Secretariat Services Limited - Secretary

25 AUG 2016

Date:

**Education Care And Discipline Three
Limited (Registered number: 03525161)**

**Report of the Directors
for the Year Ended 31 March 2016**

The directors have pleasure in presenting their annual report and the audited financial statements of the company for the year ended 31 March 2016.

Dividends

The profit for the financial year amounted to £50,000 (2015: £200,000).

Dividends of £50,000, £25,000 per share (2015: £200,000, £100,000 per share) have been paid during the year. No final dividends are proposed at the year end (2015: £nil).

Future developments

The company ceased trading on 30 November 2015. The directors consider the financial position at the end of the year to be satisfactory.

Directors

The directors shown below have held office during the whole of the period from 1 April 2015 to the date of this report.

C Burlton

P R Cook (resigned 18 May 2016)

G M Nienaber (resigned 18 May 2016)

V J Patel (resigned 18 May 2016)

A C Ritchie

J Parker (resigned 18 May 2016)

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS102"). 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**Education Care And Discipline Three
Limited (Registered number: 03525161)**

**Report of the Directors
for the Year Ended 31 March 2016**

Directors' responsibilities statement - continued

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

Statement of disclosure of information to auditors

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors, PricewaterhouseCoopers LLP, have signified their willingness to continue in office.

By order of the board:



.....
Semperian Secretariat Services Limited - Secretary

25 AUG 2016

Date:

Independent auditors' report to the members of Education Care and Discipline Three Limited

Report on the financial statements

Our opinion

In our opinion, Education Care and Discipline Three Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
 - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
 - have been prepared in accordance with the requirements of the Companies Act 2006.
-

What we have audited

The financial statements, included within the Strategic Report, Report of the Directors and Financial Statements (the "Annual Report"), comprise:

- the balance sheet as at 31 March 2016;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, 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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Education Care and Discipline Three Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

What an audit of financial statements involves

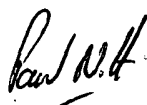
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Paul Nott (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
30 August 2016

**Education Care And Discipline Three
Limited (Registered number: 03525161)**

**Statement of Comprehensive Income
for the Year Ended 31 March 2016**

	Notes	2016 £	2015 £
Income from shares in group undertakings	7	<u>50,000</u>	<u>200,000</u>
Profit on ordinary activities before taxation		50,000	200,000
Tax on profit on ordinary activities	8	<u>-</u>	<u>-</u>
Profit for the financial year		50,000	200,000
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>50,000</u>	<u>200,000</u>

The notes form part of these financial statements

**Education Care And Discipline Three
Limited (Registered number: 03525161)**

**Balance Sheet
31 March 2016**

	Notes	2016 £	2015 £
Fixed assets			
Investments	10	<u>2</u>	<u>2</u>
Total assets less current liabilities		<u><u>2</u></u>	<u><u>2</u></u>
Capital and reserves			
Called up share capital	11	<u>2</u>	<u>2</u>
Shareholders' funds		<u><u>2</u></u>	<u><u>2</u></u>

25 AUG 2016

The financial statements were approved by the Board of Directors on and were signed on its behalf by:

C Burlton

.....
C Burlton - Director

The notes form part of these financial statements

**Education Care And Discipline Three
Limited (Registered number: 03525161)**

**Statement of Changes in Equity
for the Year Ended 31 March 2016**

	Notes	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2014		2	-	2
Changes in equity				
Total comprehensive income		-	200,000	200,000
Dividends	9	-	(200,000)	(200,000)
Balance at 31 March 2015		<u>2</u>	<u>-</u>	<u>2</u>
Changes in equity				
Total comprehensive income		-	50,000	50,000
Dividends	9	-	(50,000)	(50,000)
Balance at 31 March 2016		<u>2</u>	<u>-</u>	<u>2</u>

**Education Care And Discipline Three
Limited (Registered number: 03525161)**

**Notes to the Financial Statements
for the Year Ended 31 March 2016**

1. General information

The principal activity of the company is a holding company with a single subsidiary, ECD (Onley) Limited. Its registered number is 03525161.

ECD (Onley) Limited is engaged under a 16 year contract signed on 3 July 1998 for the provision of design, construction and management services, including related financing arrangements, for a secure training centre for juveniles, STC Rainsbrook, near Onley, Warwickshire. An agreement to extend and amend the contract from 20 May 2014 to 30 November 2015 was signed on 3 April 2014. As from the 30 November 2015 the company has ceased trading.

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 going concern basis and under the historical cost convention as modified by the revaluation of certain financial assets and liabilities at fair value through the profit and loss.

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 Education Care And Discipline Three 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.

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.

**Education Care And Discipline Three
Limited (Registered number: 03525161)**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2016**

Dividend policy

Dividend recognition is in line with FRS 102, section 32, such that dividends are recognised when paid or received.

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.

As the company has ceased trading, there are no critical accounting judgements, adopted by management, in applying the company's accounting policies that require specific disclosure

4. Staff costs

There were no staff costs for the year ended 31 March 2016 nor for the year ended 31 March 2015.

5. Directors' emoluments

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 (2015: £nil) nor was the company recharged any amounts in respect of directors services to the company for either the current year or prior year.

6. Profit on ordinary activities before taxation

The audit fee in respect of the company was £1,846 (2015: £1,500). All of these costs have been borne by the subsidiary and not recharged.

7. Income from shares in group undertakings

	2016	2015
	£	£
Shares in group undertakings	<u>50,000</u>	<u>200,000</u>

8. Taxation

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2016 nor for the year ended 31 March 2015.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2016**

8. Taxation - continued

Reconciliation of total tax charge included in profit and loss

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

	2016	2015
	£	£
Profit on ordinary activities before tax	<u>50,000</u>	<u>200,000</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%)	10,000	42,000
Effects of: Non-taxable income	<u>(10,000)</u>	<u>(42,000)</u>
Total tax charge	<u>-</u>	<u>-</u>

There is no provided or unprovided deferred tax at the year end (2015: £nil).

Reductions in the main rate of UK corporation tax were enacted in the Finance Act 2015 on the 26 October 2015, these brought the main rate of UK corporation tax rate to 19% for the year commencing 1 April 2017 and to 18% for the year commencing 1 April 2020. Deferred tax at 31 March 2016 has been measured using these rates.

The 2016 budget proposed a main rate of UK corporation tax of 17% for the year commencing 1 April 2020 in place of the rate of 18% as previously enacted. The impact of this change has not been reflected in the financial statements.

9. Dividends

	2016	2015
	£	£
Interim dividend £25,000 (2015: £100,000) per ordinary share	<u>50,000</u>	<u>200,000</u>

10. Investments

The company owns 100% of the issued share capital (£2) of ECD (Onley) Limited, which is registered in the United Kingdom and is engaged under a long term contract for the provision of the design, construction and management services, including related financing arrangements, for a secure training centre. The cost of this investment is £2 (year to 31 March 2015: £2). 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.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2016**

11. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
2	Ordinary	£1	<u>2</u>	<u>2</u>

12. Related party disclosures

As a fully controlled subsidiary of Semperian PPP Investment Partners Holdings Limited, 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.

13. Immediate and ultimate parent and controlling party

The company's immediate parent is G4S Joint Ventures Limited which is incorporated 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.

14. First year adoption

The company reported under former UK GAAP in its previously published financial statements for the year ended 31 March 2015.

This is the first year that the company has presented its results under FRS 102. The date of transition was 1 April 2014 and there were no changes to profit and loss account or balance sheet on conversion to FRS 102.