

Company Registration No. 03679825 (England and Wales)

**SERVICES SUPPORT (SEL) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**



# SERVICES SUPPORT (SEL) LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	E G Wegener J Heath L Murphy C R Field	(Appointed 30 April 2019) (Appointed 24 September 2019)
<b>Secretary</b>	HCP Management Services Limited	(Appointed 17 September 2018)
<b>Company number</b>	03679825	
<b>Registered office</b>	8 White Oak Square London Road Swanley Kent BR8 7AG	
<b>Auditor</b>	KPMG LLP 3 Assembly Square Britiannia Quay Cardiff CF10 4AX	
<b>Banker</b>	Commerzbank AG London Branch PO Box 52715 London EC2P 2XY	

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# **SERVICES SUPPORT (SEL) LIMITED**

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# SERVICES SUPPORT (SEL) LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

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The Directors present their annual report and audited financial statements for the year ended 31 December 2019.

The Director's report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006, and according to these provisions a strategic report has not been prepared.

#### Principal activities

The principal activity of the Company is to design, build, finance and operate three sector police stations and a divisional headquarters in South East London in accordance with an agreement with the Metropolitan Police Authority.

Financial close was achieved on 26 October 2001. The concession period is 27 years. The completion certificate for the initial construction works was received on 29 November 2002 (Deptford station).

There have not been any significant changes in the Company's principal activities in the year under review.

#### Directors

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

E G Wegener	
D R Bradbury	(Resigned 30 April 2019)
F Barekati	(Resigned 30 April 2019)
J Heath	
L Murphy	(Appointed 30 April 2019)
S Gordon	(Appointed 30 April 2019 and resigned 30 October 2019)
C R Field	(Appointed 24 September 2019)

#### Results and dividends

The results for the year are set out on page 7.

During the year dividends were paid amounting to £8,685,000 (2018: £Nil). The Directors do not recommend payments of a final dividend.

#### Political Contributions

The Company made no political donations or incurred any political expenditure during the year.

#### Qualifying third party indemnity provisions

The Company has made qualifying third party indemnity provisions for the benefit of its Directors during the year. These provisions remain in force at the reporting date.

#### Financial risk management objectives and policies

##### Liquidity risk

The Company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the Company has sufficient liquid resources to meet the operating needs of the business. At the start of the PFI contract, the Company negotiated debt facilities with an external party to ensure that the Company has sufficient funds over the life of the PFI concession.

# SERVICES SUPPORT (SEL) LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### **Interest rate risk**

The Company's borrowings expose it to cash flow risk primarily due to the financial risks of changes in interest rates. The Company uses interest rate derivatives to manage the risk and reduce its exposure to changes in interest rates.

### **Credit risk**

The Company's principal financial assets are cash, financial assets and trade and other receivables. The Company's credit risk is primarily attributable to its trade receivables which are with one counterparty, although in the opinion of the board of directors this risk is limited as the receivables are with a local government authority.

### **Lifecycle risk**

Lifecycle expenditure is the main risk to the business. The risk being that the allowance for lifecycle costs factored into the financial model is insufficient to cover future lifecycle expenditure, thus resulting in lower profitability and reduced distributions. This is mitigated by regular lifecycle reviews undertaken by the management services provider and a detailed lifecycle review performed every five years.

### **Brexit risk**

The Company is exposed to Brexit risk as a result of the inherent uncertainty around the UK's exit from the European Union. Whilst the Company itself is not considered to be significantly exposed, subcontractors which it engages with are considered to have exposure in relation to labour and the cost of supplies. Performance risk under the Project Agreement and related contracts are passed on to the service providers and to the building contractor. The obligations of these subcontractors are underwritten either by performance guarantees issued by banks or by parent company guarantees. Due to the evolving nature of the risk, the Board continue to actively monitor developments.

### **COVID-19 risk**

The Company is exposed to the COVID-19 risk as a result of the inherent uncertainty around the impact of the pandemic on UK society and economy. Whilst the Company itself is not considered to be significantly exposed, subcontractors which it engages with are considered to have exposure in relation to labour and the ability to continue to perform required services. The Company is aware of the Government guidance for public bodies on payment to suppliers to ensure service continuity during and after the coronavirus outbreak, which provides additional assurance. Nevertheless, performance risk under the Project Agreement and related contracts are passed on to the service providers and to the building contractor. The obligations of these subcontractors are underwritten either by performance guarantees issued by banks or by parent company guarantees. Due to the evolving nature of the risk, the Board continue to actively monitor developments.

### **Post reporting date events**

Following adverse weather conditions that began on the 14th January 2020, incidents have occurred whereby the roof tiling of the Sutton Police Station buildings were damaged. An intrusive survey carried out by specialist surveyors concluded that there were issues with the tiling attributable to defects linked to inadequate fixing of the roof tiles when compared to the manufacturer's recommendations.

The anticipated costs associated with rectifying this issue is £840,000. The Company has the funds to absorb the additional costs with no adverse effect to its forward looking covenants.

### **Change of Facilities Manager**

On 15 January 2018 the Facilities Manager for the Company, Carillion Integrated Services Limited ("CIS") and its Performance Guarantor, Carillion Plc ("Carillion") entered into compulsory liquidation. As of 12 October 2018 Bouygues E&S FM UK Limited was formally appointed as new Facilities Management provider. Following the appointment of a new Facilities Management provider the Company exited its event of default. Final accounts in relation to the Carillion Plc liquidation are due to be settled in the first half of 2020 although provisions for these amounts have been provided for in these financial statements.

# SERVICES SUPPORT (SEL) LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### Going concern

The Directors have prepared cash flow forecasts which indicate that, taking account of severe but plausible downsides, the Company will have sufficient funds to meet its liabilities as they fall due. Further information of the Directors' assessment including the consideration of the impact of COVID-19 is contained within note 1.2.

Taking into account reasonable possible risks in operations to the Company, the fact the obligations of the Company's sole customer are underwritten by the Mayor's Office for Policing and Crime, the Directors have a reasonable expectation that the Company will be able to settle its liabilities as they fall due to the foreseeable future. It is therefore appropriate to prepare these financial statements on the going concern basis.

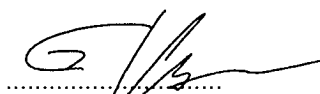
### Auditor

The auditor, KPMG LLP, are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

### Statement of disclosure to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he/ she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



E G Wegener

Director

Date: 23 June 2020

# **SERVICES SUPPORT (SEL) LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

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.

# SERVICES SUPPORT (SEL) LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF SERVICES SUPPORT (SEL) LIMITED

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#### Opinion

We have audited the financial statements of Services Support (SEL) Limited ("the Company") for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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.

#### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgments that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

#### Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report 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.

# SERVICES SUPPORT (SEL) LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF SERVICES SUPPORT (SEL) LIMITED

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#### 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; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

#### 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](http://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.



**Richard Lomax (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants

3 Assembly Square

Britannia Quay

Cardiff

CF10 4AX

Date: 24 June 2020

# SERVICES SUPPORT (SEL) LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £'000	2018 £'000
<b>Turnover</b>	<b>3</b>	8,899	9,898
Cost of sales		(6,298)	(8,219)
<b>Gross profit</b>		2,601	1,679
Interest receivable and similar income	<b>7</b>	4,821	5,167
Interest payable and similar expenses	<b>8</b>	(4,059)	(4,266)
<b>Profit before taxation</b>		3,363	2,580
Taxation	<b>9</b>	(946)	(736)
<b>Profit for the financial year</b>		2,417	1,844
<b>Other comprehensive income</b>			
Fair value gain arising on cash flow hedges in the year	<b>13</b>	1,013	2,726
Deferred tax relating to other comprehensive income	<b>9</b>	(172)	(463)
<b>Total comprehensive income for the year</b>		3,258	4,107

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

Notes on page 10 to 24 form part of the Financial Statements.

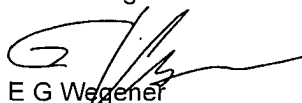
# SERVICES SUPPORT (SEL) LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £'000	2018 £'000
<b>Current assets</b>			
Debtors falling due after one year	11	55,209	58,273
Debtors falling due within one year	11	12,008	11,052
Cash at bank and in hand		1,264	10,818
		<u>68,481</u>	<u>80,143</u>
<b>Creditors: amounts falling due within one year</b>	12	(15,571)	(16,832)
<b>Net current assets</b>			63,311
<b>Creditors: amounts falling due after more than one year</b>	13	(56,017)	(60,986)
<b>Provisions for liabilities</b>	15	(3,003)	(3,008)
<b>Net liabilities</b>		<u>(6,110)</u>	<u>(683)</u>
<b>Capital and reserves</b>			
Called up share capital	16	25	25
Hedging reserve	16	(7,714)	(8,555)
Profit and loss reserves	16	1,579	7,847
<b>Total deficit</b>		<u>(6,110)</u>	<u>(683)</u>

The financial statements were approved by the board of directors and authorised for issue on 23/06/2020 and are signed on its behalf by:



E G Wegener  
Director

Company Registration No. 03679825

Notes on page 10 to 24 form part of the Financial statements.

# SERVICES SUPPORT (SEL) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Share capital £'000	Hedging reserve £'000	Profit and loss reserves £'000	Total £'000
<b>Balance at 1 January 2018</b>		25	(10,818)	6,003	(4,790)
<b>Year ended 31 December 2018:</b>					
Profit for the year		-	-	1,844	1,844
Other comprehensive income:					
Cash flow hedges gains		-	2,726	-	2,726
Tax relating to other comprehensive income		-	(463)	-	(463)
Total comprehensive income for the year		-	2,263	1,844	4,107
<b>Balance at 31 December 2018</b>		25	(8,555)	7,847	(683)
<b>Year ended 31 December 2019:</b>					
Profit for the year		-	-	2,417	2,417
Other comprehensive income:					
Cash flow hedges gains		-	1,013	-	1,013
Tax relating to other comprehensive income		-	(172)	-	(172)
Total comprehensive income for the year		-	841	2,417	3,258
Dividends	10	-	-	(8,685)	(8,685)
<b>Balance at 31 December 2019</b>		25	(7,714)	1,579	(6,110)

Notes on page 10 to 24 form part of financial statements.

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

#### Company information

Services Support (SEL) Limited is a private company limited by shares domiciled in the United Kingdom, incorporated in Great Britain and registered in England and Wales. The registered office is 8 White Oak Square, London Road, Swanley, Kent BR8 7AG.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in pounds sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value and in accordance with FRS 102. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The Company is consolidated within the group accounts of Services Support (SEL) Holdings Limited. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the Cash Flow Statement and related notes.

The Company is also considered to be a qualifying entity for the disclosure exemptions relating to the requirements of Section 11 Paragraphs 11.39 to 11.48A as the equivalent disclosures required by this FRS are included in the consolidated financial statements of the Group in which the Company is consolidated.

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Accounting policies

(Continued)

##### 1.2 Going concern

The Company had net liabilities of £6,110,000 as at 31 December 2019 and generated a profit for the year then ended of £2,417,000. The directors acknowledge that the Company is in net liabilities, however this is primarily a result of the swap instruments, which are significantly out of the money. It is not the intention to close out these instruments before their maturity date, therefore there is no impact on the Company's ability to meet its liabilities as they fall due.

The Directors have prepared cash flow forecasts covering a period of 12 months from the date of approval of these financial statements, through to 30 June 2021, which indicate that, taking account of severe but plausible downsides, the Company will have sufficient funds to meet its liabilities as they fall due for that period. Those forecasts are dependent on the underlying customer continuing to meet its obligations under the Project Agreement which are underwritten by the Mayor's Office for Policing and Crime.

In making this assessment the Directors have considered the potential impact of the emergence and spread of COVID-19.

The Company's operating cash inflows are largely dependent on unitary charge receipts receivable from the Metropolitan Police Authority and the Directors expect these amounts to be received even in severe but plausible downside scenarios.

The Company continues to provide the asset in accordance with the contract and is available to be used. As a result, the Company does not believe there is any likelihood of a material impact to the unitary payment.

The Directors have assessed the viability of its main sub-contractors and reviewed the contingency plans of the sub-contractors and are satisfied in their ability to provide the services in line with the contract without significant additional costs to the Company, even in downside scenarios, due to the underlying contractual terms. To date, there has been no adverse impact on the services provided by the Company or its sub-contractors arising from COVID-19. However, in the unlikely event of a subcontractor failure, the Company has its own business continuity plans to ensure that service provision will continue.

The Directors believe the Company has sufficient funding in place and expect the Company to be in compliance with its debt covenants even in severe but plausible downside scenarios.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

##### 1.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Income received in respect of the service concession is allocated between revenue and capital repayment of, and interest income on, the PFI financial asset using the effective interest rate method. Service revenue is recognised as a margin on non-pass-through operating and maintenance costs.

Pass through income represents the direct pass through of recoverable costs, as specified in the Project Agreement.

Variation income relates to the recharge of costs incurred for the alteration of the facilities or the services provided, requested by the Authority.

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Accounting policies

(Continued)

##### 1.4 Interest receivable and payable

Interest receivable and similar income relates to investment income and interest income on the PFI asset.

Interest payable and similar expenses relates to interest on bank borrowings and loans from parent undertakings.

Interest income and interest payable is accounted for through the profit and loss as they accrue on the effective interest rate basis.

##### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

The total restricted cash at 31 December 2019 amounted to £3,391,000 (2018: £4,742,000)

##### 1.6 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the balance sheet, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Loans and receivables**

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 1 Accounting policies

(Continued)

##### **Service concession**

The company is an operator Public Finance Initiative ("PFI") contract. The company entered into a project agreement (the "contract") with the Metropolitan Police Authority (The Authority) to design, build, finance, operate and maintain accommodation for a variety of policing activities in South East London and a range of services for that accommodation and other accommodation, to enable the Authority to provide a more effective and efficient police service. The contract negotiations were successfully completed in 26th October 2001 and construction commenced immediately. The project has been fully operational since 16th January 2004. The concession period is for 27 years, during this period the company has contracted to provide hard and soft services to the Authority. The company has passed these obligations down to subcontractors respectively via subcontracts. The obligation to provide major maintenance works (lifecycle) is undertaken by Bouygues E&S FM UK Limited, however, the risk that the costs exceed those forecast in the financial model is borne by the company. The contract entitles the Authority to a share of the profits of the company if the anticipated cumulative shareholder return exceeds 20%. The Authority are entitled to terminate the Contract at anytime by giving 20 days written notice. If the Authority exercise this right they are liable to pay the company compensation as set out in the Contract, which would include the senior debt, redundancy costs and all amounts shown in the base financial model as payable by the SPV from the date of termination, either in dividends or other distributions on the share capital of the SPV or as payments of interest or repayments of principal on the Subordinated Debt, each amount discounted back at the base financial model post tax blender IRR for share capital or subordinated debt from the date on which it is shown to be payable in the base financial model to the termination date.

As the company entered into the contract prior to the date of transition to FRS102, the company has taken advantage of the exemption in section 35.10 (i) of FRS102 which permits it to continue to account for the service concession arrangements under the accounting policies adopted under old UK GAAP. In particular, the underlying asset is not deemed to be an asset of the company under old UK GAAP, because the risks and rewards of ownership as set out in that standard are deemed to lie principally with the Authority.

During the construction phase of the project, all attributable expenditure was included in amounts recoverable on contracts and turnover. Upon becoming operational, the costs were transferred to the finance debtor. During the operational phase the Authority pay Project Co. a fixed Unitary Charge payment, as determined in the Contract, that is inflated by RPI each year. Income is allocated between interest receivable and the finance debtor using a project specific interest rate. The remainder of the PFI unitary charge income is included within turnover in accordance with FRS102 section 23. The company recognises revenue in respect of the services provided, including lifecycle services, as it fulfils its contractual obligations in respect of those services and in line with the fair value of the consideration receivable in respect of those services.

##### **Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Accounting policies

(Continued)

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities

##### ***Other financial liabilities***

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

#### 1.7 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Accounting policies

(Continued)

#### 1.8 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

The Company does not hold or issue derivative financial instruments for speculative purposes.

##### *Hedge accounting*

The Company designates certain hedging instruments, including derivatives, embedded derivatives and non-derivatives, as either fair value hedges or cash flow hedges.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item along with risk management objectives and strategy for undertaking various hedge transactions. At the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item.

##### *Cash flow hedges*

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income.

The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the 'Finance costs for financial instruments measured at fair value through profit or loss' line of note 8.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item is recognised in the profit or loss in the same line as the recognised hedged item. However when the forecast transaction that is hedged results in the recognition of a non-financial asset or liability, the gains and losses previously accumulated in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability concerned.

#### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable 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 reporting end date.

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

### 2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with FRS102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The 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 differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Certain critical accounting judgements in applying the Company's accounting policies are described below:

#### **Hedge accounting**

The Directors consider the Company to have met the criteria for hedge accounting; the Company has therefore recognised fair value movements on derivatives in effective hedging relationships through other comprehensive income as well as the deferred tax thereon.

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 2 Critical accounting judgements and key sources of estimation uncertainty

(Continued)

##### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

##### Valuation of derivative financial instruments

The Directors use their judgement in selecting a suitable valuation technique for derivative financial instruments. All derivative financial instruments are valued at the mark to market valuation provided by the derivative counterparty. In these cases, the Company uses valuation techniques to assess the reasonableness of the valuation provided by the derivative counterparty. These techniques use a discounted cash flow analysis based on market observable inputs derived from similar instruments in similar and active markets. The fair value of derivative financial instruments at the balance sheet date was a liability of £9,343,000 (2018: £10,305,000 liability). The Directors do not consider the impact of own credit risk to be material.

##### Service concession arrangement

Accounting for the service concession contract and finance debtor requires an estimation of service margins, finance debtor interest rates and associated amortisation profile which is based on forecasted results of the service concession contract. Lifecycle costs are a significant proportion of future expenditure. Given the length of the Company's service concession contract, the forecast of lifecycle costs is subject to significant estimation uncertainty and changes in the amount and timing of expenditure could have material impacts. As a result, there is a significant level of judgement applied in estimating future lifecycle costs. To reduce the risk of misstatement, future estimates of lifecycle expenditure are prepared by maintenance experts on an asset by asset basis and periodic technical evaluations of the physical condition of the facilities are undertaken. In addition, comparisons of actual expenditure are compared to the lifecycle forecast. If lifecycle costs cumulatively over the remainder of concession increase by 5% the impact on revenue and loss in the year would be a decrease in revenue of £71,913 and a reduction in profit of £58,249.

#### 3 Turnover and other revenue

An analysis of the Company's turnover is as follows:

	2019 £'000	2018 £'000
<b>Turnover</b>		
Service fee income	8,640	9,894
Variation and passthrough income	259	4
	<u>8,899</u>	<u>9,898</u>

##### Turnover analysed by geographical market

	2019 £'000	2018 £'000
United Kingdom	<u>8,899</u>	<u>9,898</u>

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 4 Auditor's remuneration

	2019 £'000	2018 £'000
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	13	13
<b>For other services</b>		
Taxation compliance services	3	3

### 5 Employees

The Company had no employees during the current or prior year.

### 6 Directors' remuneration

The Company is managed by secondees from the shareholders under a management services contract.

£141,000 of Directors Fees were incurred for director's services (not paid to directors' individually) by the Company during the year (2018 - £140,000).

### 7 Interest receivable and similar income

	2019 £'000	2018 £'000
<b>Interest income</b>		
Interest on bank deposits	14	-
Other interest income	4,807	5,167
Total interest revenue	4,821	5,167

### 8 Interest payable and similar expenses

	2019 £'000	2018 £'000
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	3,252	3,510
Interest payable to parent undertakings	756	756
Finance costs for financial instruments measured at fair value through profit or loss	51	-
Total interest expense	4,059	4,266

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 9 Taxation

	2019 £'000	2018 £'000
<b>Current tax</b>		
UK corporation tax on profits for the current period	1,223	1,051
Adjustments in respect of prior periods	(179)	(59)
DLPR not claimed	79	-
Total current tax	1,123	992
<b>Deferred tax</b>		
Origination and reversal of timing differences	(246)	(217)
Adjustment in respect of prior periods	69	(39)
Total deferred tax	(177)	(256)
Total tax charge	946	736

For the year ended 31 December 2019, the UK rate of 19.00% (2018: 19.00%) is applied.

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016, and the UK deferred tax liability as at 31 December 2019 has been calculated based on this rate.

The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. This will increase the company's future current tax charge accordingly and increase the deferred tax liability by £344,000.

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £'000	2018 £'000
Profit before taxation	3,363	2,580
Expected tax charge based on a corporation tax rate of 19.00% (2018: 19.00%)	639	490
Tax effect of expenses that are not deductible in determining taxable profit	335	322
Adjustments in respect of prior years	(100)	(59)
Effect of change in corporation tax rate	29	22
Permanent differences	(26)	-
Deferred tax adjustments in respect of prior years	69	(39)
Tax expense for the year	946	736

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 9 Taxation

(Continued)

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2019 £'000	2018 £'000
Deferred tax arising on:		
Deferred tax on interest rate swap fair value	172	463
Total tax recognised in other comprehensive income	<u>172</u>	<u>463</u>

### 10 Dividends

	2019 £'000	2018 £'000
Interim paid	8,685	-
	<u>8,685</u>	<u>-</u>

Interim dividend of £347.40 (2018 - £nil) paid per £1 share.

### 11 Debtors

	2019 £'000	2018 £'000
<b>Amounts falling due within one year:</b>		
Trade debtors	4,009	1,956
Financial asset	4,426	4,154
Other financial assets	3,391	4,742
Other debtors	-	165
Prepayments	182	35
	<u>12,008</u>	<u>11,052</u>

	2019 £'000	2018 £'000
<b>Amounts falling due after more than one year:</b>		
Financial asset	<u>55,209</u>	<u>58,273</u>
<b>Total debtors</b>	<u>67,217</u>	<u>69,325</u>

Other financial assets include amounts held within deposit accounts with a maturity of not less than three months from the initial deposit.

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 12 Creditors: amounts falling due within one year

	Notes	2019 £'000	2018 £'000
Loans and overdrafts	14	4,007	4,680
Corporation tax payable		2,846	2,755
Other taxation and social security		279	-
Trade creditors		69	2,236
Amount due to parent undertaking	14	381	1,507
Accruals and deferred income		7,989	5,654
		<u>15,571</u>	<u>16,832</u>

### 13 Creditors: amounts falling due after more than one year

	Notes	2019 £'000	2018 £'000
Bank loans and overdrafts	14	40,378	44,385
Amounts due to parent undertakings	14	6,296	6,296
Derivative financial instruments		9,343	10,305
		<u>56,017</u>	<u>60,986</u>

#### Derivative Financial Instruments

The swaps have a fixed interest rate of 5.5025% and expires on 30 June 2027. The interest rate swaps settle on a semi-annual basis in December and June. The floating rate on the interest rate swaps is six months' Libor. The Company will settle the difference between the fixed and floating interest rate on a net basis.

All interest rate swap contracts are designated as hedges of variable interest rate risk of the Company's floating rate borrowings. The hedged cash flows are expected to occur and to affect profit or loss over the period to maturity of the interest rate swaps.

The fair value of the derivative financial instrument above comprise the fair value of the interest rate swap designed in the effective hedging relationship. The decrease in fair value of the interest rate swap that was recognised in other comprehensive income in the period was £1,013,000 (2018 a decrease of £2,726,000).

Amounts included above which fall due after five years are as follows:

	2019 £'000	2018 £'000
Payable by instalments	20,613	27,754
Payable other than by instalments	6,296	6,296
	<u>26,909</u>	<u>34,050</u>

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 14 Loans and overdrafts

	2019 £'000	2018 £'000
Bank loans	44,385	49,065
Loans from group undertakings	6,296	6,296
	<u>50,681</u>	<u>55,361</u>
Payable within one year	4,007	4,680
Payable after one year	<u>46,674</u>	<u>50,681</u>

The Company has a £101 million facility provided by a syndicate of banks in order to finance the construction of the project. The loan is repayable in instalments based on an agreed percentage amount of the total liability per annum through to 30 June 2027.

Interest on the facilities is charged at LIBOR plus a margin of 0.95% and a Mandatory Cost Rate of 0.003%. The Company has entered into fixed interest rate swaps to mitigate its interest exposure. The fixed interest rate on the facility, after taking in to consideration the swap is 6.455% during the operational phase.

The loan is secured by a fixed and floating charge over all the assets of the Company and a charge over the shares of the Company. The interest rate is fixed for the life of the loan.

### 15 Deferred taxation

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances for financial reporting purposes:

	Liabilities 2019 £'000	Liabilities 2018 £'000
<b>Balances:</b>		
Accelerated Capital Allowances	4,930	5,223
Tax losses	(347)	(463)
Deferred tax on interest rate swap fair value	(1,580)	(1,752)
	<u>3,003</u>	<u>3,008</u>
<b>Movements in the year:</b>		<b>2019 £'000</b>
Liability at 1 January 2019		3,008
Credit to profit or loss		(177)
Charge to other comprehensive income		172
Liability at 31 December 2019		<u>3,003</u>

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 16 Share capital

	2019 £'000	2018 £'000
<b>Issued and fully paid</b>		
25000 Ordinary shares of £1 each	25	25

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

#### Other Reserves

The Company's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses.

The hedging reserve represents the cumulative portion of gains and losses on hedging instruments deemed effective in hedging variable interest rate risk of recognised financial instruments. Amounts accumulated in this reserve are reclassified to profit or loss in the periods in which the hedged item affects profit or loss or when the hedging relationship ends.

### 17 Related party transactions

#### Transactions with related parties

During the year the Company entered into the following transactions with related parties:

	Services received	
	2019 £'000	2018 £'000
Amalie PFI (UK) Limited - Loan note interest	378	378
Infrastructure Investments Limited Partnership - Directors fees	71	70
JLIF Holdings (Justice and Emergency Services) Limited - Directors fees	70	70
JLIF Holdings (Justice and Emergency Services) Limited - Loan note interest	378	378
	<u>897</u>	<u>896</u>

# SERVICES SUPPORT (SEL) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 17 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2019 £'000	2018 £'000
Amalie PFI (UK) Limited - Loan note principal	3,148	3,148
Amalie PFI (UK) Limited - Loan note interest	190	753
Infrastructure Investments Limited Partnership - Directors fees	209	139
JLIF Holdings (Justice and Emergency Services) Limited - Loan note principal	3,148	3,148
JLIF Holdings (Justice and Emergency Services) Limited - Loan note interest	190	753
Laing Investment Management Services Limited - Directors fees	-	70
JLIF Holdings (Justice and Emergency Services) Limited - Directors fees	47	-
	<u>6,932</u>	<u>8,011</u>

The Company is a wholly owned subsidiary of Services Support (SEL) Holdings Limited, which in turn is owned 50% by Amalie PFI (UK), an indirect subsidiary company of Infrastructure Investments Limited Partnership and 50% by JLIF Holdings (Justice and Emergency Services) Limited, a subsidiary company of Craighouse UK 3 Ltd.

No guarantees have been given or received.

### 18 Events after the reporting date

Following adverse weather conditions that began on the 14th January 2020, incidents have occurred whereby the roof tiling of the Sutton Police Station buildings were damaged. An intrusive survey carried out by specialist surveyors concluded that there were issues with the tiling attributable to defects linked to inadequate fixing of the roof tiles when compared to the manufacturer's recommendations.

The anticipated costs associated with rectifying this issue is £840,000. The Company has the funds to absorb the additional costs with no adverse effect to its forward looking covenants.

In addition, the COVID-19 pandemic continues to cause significant impact to the UK's economy; however, the Company has continued to be paid in full since the year end in accordance with Government guidance and the concession contract and does not expect this position to change. The project remains fully operational.

### 19 Ultimate controlling party

The Company's immediate parent company and the largest and smallest group in which its results are consolidated, is Services Support (SEL) Holdings Limited, a company incorporated in Great Britain and registered in England and Wales, whose registered office is 8 White Oak Square, London Road, Swanley, BR8 7AG. The financial statements are available to the public and can be obtained from Companies House, Crown Way Cardiff, CF14 3UZ. There is no ultimate controlling entity, as it is under joint control.