

AMENDING

**Harmondsworth Detention Services Limited**

**Directors' report and financial statements**

**Registered number 04054452**

**31 August 2012**

WEDNESDAY



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## **Directors' report**

The directors present their directors' report and the audited financial statements for the year ended 31 August 2012

### **Principal activities and business review**

Harmondsworth Detention Services Limited is a Special Purpose Vehicle whose purpose is to design, construct and manage the Immigration Removal Centre Harmondsworth, which holds 501 male detainees. It had an eight year contract with the UK Immigration Service which expired on 6 June 2009.

In October 2008, the operating contract at the Immigration Removal Centre Harmondsworth was not renewed and ceased on 6 June 2009. During the year final invoicing took place in relation to this contract. This went on longer than expected due to issues in UKBA (UK Borders Agency) in respect to an Insurance pay out (in relation to a claim following riots in 2008), and agreeing the final amount which would be paid to Harmondsworth. The contract is now complete and the Company has ceased trading.

### **Results and proposed dividend**

The gain for the financial year amounted to £6 (2011 loss £50)

The directors do not recommend the payment of a dividend (2011 £nil)

### **Going concern**

Following the cessation of the contract at the Immigration Removal Centre, Harmondsworth and the subsequent resolution of all invoicing in relation to this contract, the board of directors have made the decision that Harmondsworth Detention Services Limited would cease to trade and become a dormant company with effect from 1 September 2012. On this basis the financial statements have not been prepared on a going concern basis. The effect of this is explained in note 1.

### **Directors and directors' interests**

The directors who held office during the year were as follows

I Renhard  
M Priday  
S Carter  
D Paterson  
P Andrew

The Company maintained insurance for directors and officers in respect of their duties as directors and officers of the Company.

### **Political and charitable contributions**

The Company made no political contributions during the year (2011 £nil)

### **Employees**

No staff were employed by the Company during the year (2011 none)

### **Disclosure of information to auditors**

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 auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

## **Directors' report (*continued*)**

### **Auditors**

Pursuant to a shareholders' resolution, the Company is not obliged to reappoint its auditors annually and KPMG LLP will therefore continue in office

By order of the board



**T Bradbury**

*Secretary*

29 April 2013

Interserve House  
Ruscombe Park  
Twyford  
Reading  
Berkshire  
RG10 9JU

## **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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

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 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.



## KPMG LLP

St James' Square  
Manchester  
M2 6DS

### **Independent auditor's report to the members of Harmondsworth Detention Services Limited**

We have audited the financial statements of Harmondsworth Detention Services Limited for the year ended 31 August 2012 set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 auditors' 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.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 August 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Emphasis of matter – non-going concern basis**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reason set out in that note.

## **Independent auditor's report to the members of Harmondsworth Detention Services Limited** *(continued)*

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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



**Michael Frankish (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
St James' Square  
Manchester  
M2 6DS

**30 April 2013**

**Profit and loss account**  
*for the year ended 31 August 2012*

	<i>Note</i>	<b>2012</b> £	<b>2011</b> £
<b>Turnover</b>	<i>2</i>	-	<b>442,126</b>
Cost of sales	<i>3</i>	-	<b>(442,126)</b>
<b>Gross profit</b>		-	-
Administrative income		-	-
<b>Operating profit</b>		-	-
Other interest receivable and similar income	<i>6</i>	<b>144</b>	<b>70</b>
Interest payable and similar charges	<i>7</i>	<b>(102)</b>	<b>(102)</b>
<b>Gain/(loss) on ordinary activities before taxation</b>	<i>8</i>	<b>42</b>	<b>(32)</b>
Tax on loss on ordinary activities	<i>9</i>	<b>(36)</b>	<b>(18)</b>
<b>Gain/(loss) for the financial year</b>		<b>6</b>	<b>(50)</b>

All results arise from discontinued operations

The Company has no recognised gains or losses in the period, other than the profit/loss above, and therefore no separate statement of total recognised gains and losses has been prepared

There is no difference between the profit/loss on ordinary activities before taxation and the profit/loss for the year stated above and their historical equivalents

The notes from pages 9-13 form part of the financial statements

**Balance sheet**  
*at 31 August 2012*

	<i>Note</i>	<b>2012</b> <b>£</b>	<b>2011</b> <b>£</b>
<b>Current assets</b>			
Debtors	<i>10</i>	-	-
Cash at bank and in hand		<b>51,678</b>	<b>51,636</b>
		<b>51,678</b>	<b>51,636</b>
<b>Creditors: amounts falling due within one year</b>	<i>11</i>	<b>(10,816)</b>	<b>(10,780)</b>
<b>Net assets</b>		<b>40,862</b>	<b>40,856</b>
<b>Capital and reserves</b>			
Called up share capital	<i>12</i>	<b>100</b>	<b>100</b>
Profit and loss account	<i>13</i>	<b>40,762</b>	<b>40,756</b>
<b>Shareholders' funds - Equity</b>		<b>40,862</b>	<b>40,856</b>

The notes from pages 9-13 form part of the financial statements

These financial statements were approved by the board of directors on *29 April 2013* and were signed on its behalf by



**I M Renhard**  
*Director*

**Reconciliation of movements in shareholders' funds**  
*for the year ended 31 August 2012*

	2012 £	2011 £
Loss for the financial year	6	(50)
Net decrease in shareholders' funds	6	(50)
Opening shareholders' funds	40,856	40,906
Closing shareholders' funds	40,862	40,856

## Notes forming part of the financial statements

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below

#### *Basis of preparation*

The financial statements have been prepared in accordance with the historical cost convention and applicable accounting standards

The principal activity of the Company was to design, construct and manage the Immigration Removal Centre Harmondsworth. The contract expired in 6 June 2009 and all trading has now ceased. In previous years the financial statements have been prepared on a going concern basis. However following the settlement of all insurance claims, the Company will undertake no further activity and will become a dormant entity with effect from 1 September 2012. On this basis the financial statements have not been prepared on a going concern basis.

#### *Turnover*

Turnover is recognised based on the amount receivable in respect of construction and operation of the immigration centre, net of discounts and allowances payable under contractual arrangements, and excluding VAT.

#### *Taxation*

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

### 2 Turnover

Turnover represents final amounts invoiced for services in the United Kingdom for the construction and operation of the immigration removal centre as follows

	2012 £	2011 £
<i>By activity</i>		
Discontinued operations	-	442,126
	<hr/>	<hr/>

### 3 Cost of sales

	2012 £	2011 £
Other operating charges	-	442,126
	<hr/>	<hr/>

**Notes (continued)**

**4 Directors' emoluments**

No directors received emoluments for their services to the Company (2011 *£nil*)

**5 Employee information**

No persons were employed by the Company during the current or previous financial year

**6 Other interest receivable and similar income**

	2012 £	2011 £
Interest on bank deposits	144	70

**7 Interest payable and similar charges**

	2012 £	2011 £
Bank charges	102	102

**8 Loss on ordinary activities before taxation**

	2012 £	2011 £
<i>Loss on ordinary activities before taxation is stated after charging:</i>		
<i>Auditors' remuneration</i>		
Audit of these financial statements	-	-

Audit fees for the current and prior year are borne by Sodexo Limited

## Notes (continued)

### 9 Taxation

#### Analysis of credit in period

	2012 £	2011 £
<i>UK corporation tax</i>		
Current tax on income for the period	36	18
Adjustments in respect of previous period	-	-
Total current tax	36	18
<i>Deferred tax</i>		
Adjustments in respect of previous periods	-	-
Total deferred tax	-	-
Tax on profit on ordinary activities	36	18

#### Factors affecting the tax charge for the current period

On 1 April 2012, the standard rate of corporation tax changed to 26%. For the purpose of the company accounts to 31 August 2012, a blended rate of corporation tax has been applied

The current tax charge (2011 charge) for the period is higher (2011 lower) than the blended (2011 standard) rate of corporation tax of 25.164% (2011 27.167%). The differences are explained below

	2012 £	2011 £
<i>Current tax reconciliation</i>		
Gain/(loss) on ordinary activities before tax	42	(32)
Current tax at blended (2011 standard) rate of 25.164% (2010 27.167%)	10	(9)
<i>Effects of</i>		
Losses carried forward to future periods	26	27
Total current tax charge	36	18

The main rate of UK corporation tax will reduce from 24% to 23% with effect from 1 April 2013 and therefore the effect of the rate reduction on the deferred tax balances has been included in the figures above

The Chancellor has also proposed changes to further reduce the main rate of UK corporation tax by 1% per annum to 22% by 1 April 2014. These reductions have not been substantively enacted; the changes are not reflected in the above figures.

## Notes (continued)

### 10 Debtors

	2012 £	2011 £
Other debtors	-	-
	<u>-</u>	<u>-</u>

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

	2012 £	2011 £
Trade creditors	10,762	10,762
Amounts owed to parent and fellow subsidiary undertakings	-	-
Corporation tax	54	18
	<u>10,816</u>	<u>10,780</u>

### 12 Called up share capital

	2012 £	2011 £
<i>Allotted, called up and fully paid</i>		
Equity 100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

### 13 Reserves

	Profit and loss account £
At beginning of year	40,756
Gain/(loss) for the year	6
	<u>40,762</u>
At end of year	<u>40,762</u>

**Notes** *(continued)*

**14 Related party disclosures**

	2012 £	2011 £
Transactions with Sodexo Limited (whose parent company is a 51% shareholder in the Company)		
Purchases within cost of sales	-	442,126
Debtor balance	-	-

**15 Ultimate parent company and ultimate controlling party**

The Company's ultimate parent company and controlling party is Sodexo S A , a company incorporated in France. This is the smallest group of undertakings for which consolidated financial statements are prepared. Copies of the consolidated financial statements can be obtained from The Secretary, Sodexo S A , 255 Quai de la Bataille de Stalingrad, 92866 Issy-Les-Moulineaux, France.