

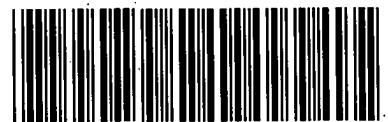
**Harmondsworth Detention Services Limited**

**Directors' report and financial statements**

Registered number 04054452

31 August 2014

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## **Directors' report**

The directors present their directors' report and the audited financial statements for the year ended 31 August 2014.

### **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 period ended 31 August 2011 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 loss for the financial year amounted to £79 (2013: loss £52).

The directors do not recommend the payment of a dividend (2013: £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 2013. 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 M Renhard  
S A Carter

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 or charitable contributions during the year (2013: £nil).

### **Employees**

No staff were employed by the Company during the year (2013: none).

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

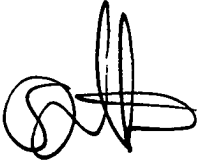
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors is unaware; and each director has taken all the steps that they ought to have taken as a director to make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

A handwritten signature in black ink, appearing to be 'S A Carter', with a stylized, cursive script.

**S A Carter**  
*Director*

26<sup>th</sup> May 2015

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. As explained in note 1 the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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

1 St Peter's Square  
Manchester  
M2 3AE

### **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 2014 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 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.

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

As explained more fully in the Statement of Directors' Responsibilities 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). 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 2014 and of its loss 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.

#### **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.

#### **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.

**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; or
- the directors were not entitled to take advantage of the small companies exemption in not preparing the strategic report



28 May 2015

**Michael Frankish (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
1 St Peter's Square  
Manchester  
M2 3AE

**Profit and Loss Account**  
*for the year ended 31 August 2014*

	<i>Note</i>	<b>2014</b> £	2013 £
<b>Turnover</b>		-	-
Cost of sales		-	-
		<hr/>	<hr/>
<b>Gross profit</b>		-	-
Administrative income		-	-
		<hr/>	<hr/>
<b>Operating profit</b>		-	-
Other interest receivable and similar income	4	59	64
Interest payable and similar charges	5	(125)	(102)
		<hr/>	<hr/>
<b>Loss on ordinary activities before taxation</b>	6	(66)	(38)
Tax on loss on ordinary activities	7	(13)	(14)
		<hr/>	<hr/>
<b>Loss for the financial year</b>		<b>(79)</b>	<b>(52)</b>
		<hr/> <hr/>	<hr/> <hr/>

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.

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



**Balance Sheet**  
*at 31 August 2014*

	<i>Note</i>	<b>2014</b> £	2013 £
<b>Current assets</b>			
Cash at bank and in hand		<b>51,574</b>	51,640
<b>Creditors: amounts falling due within one year</b>	<b>8</b>	<b>(10,843)</b>	(10,830)
<b>Net assets</b>		<b>40,731</b>	40,810
<b>Capital and reserves</b>			
Called up share capital	<b>9</b>	<b>100</b>	100
Profit and loss account	<b>10</b>	<b>40,631</b>	40,710
<b>Shareholders' funds - Equity</b>		<b>40,731</b>	40,810

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

These financial statements were approved by the board of directors on 26<sup>th</sup> May 2015 and were signed on its behalf by:



**S A Carter**  
 Director

**Reconciliation of Movements in Shareholders' Funds**  
*for the year ended 31 August 2014*

	2014 £	2013 £
Loss for the financial year	(79)	(52)
<b>Decrease in shareholders' funds</b>	<b>(79)</b>	<b>(52)</b>
Opening shareholders' funds	<b>40,810</b>	40,862
<b>Closing shareholders' funds</b>	<b>40,731</b>	40,810

## 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 & going concern*

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 became a dormant entity with effect from 1 September 2013. 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.

**Notes** *(continued)*

**2 Directors' emoluments**

No directors received emoluments for their services to the Company (2013: £nil).

**3 Employee information**

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

**4 Other interest receivable and similar income**

	2014 £	2013 £
Interest on bank deposits	59	64
	<u>          </u>	<u>          </u>

**5 Interest payable and similar charges**

	2014 £	2013 £
Bank charges	125	102
	<u>          </u>	<u>          </u>

**6 Loss on ordinary activities before taxation**

	2014 £	2013 £
<i>Loss on ordinary activities before taxation is stated after charging:</i>		
<i>Auditors' remuneration:</i>		
Audit of these financial statements	-	-
	<u>          </u>	<u>          </u>

Audit fees for the current and prior year are borne by Sodexo Limited. and totalled £1,000 (2013: £1,000).

## Notes (continued)

### 7 Taxation

#### Analysis of credit in period

	2014 £	2013 £
<i>UK corporation tax</i>		
Current tax on income for the period	13	14
Adjustments in respect of previous period	-	-
	<hr/>	<hr/>
Total current tax	13	14
<i>Deferred tax</i>		
Adjustments in respect of previous periods	-	-
	<hr/>	<hr/>
Total deferred tax	-	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	13	14
	<hr/>	<hr/>

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

On 1 April 2014, the standard rate of corporation tax changed to 21%. For the purpose of the company accounts to 31 August 2014, a blended rate of corporation tax has been applied.

The current tax charge (2013: charge) for the period is higher (2013: higher) than the blended (2013: blended) rate of corporation tax of 22.162% (2013: 23.6%) The differences are explained below.

	2014 £	2013 £
<i>Current tax reconciliation</i>		
(Loss)/ profit on ordinary activities before tax	(66)	(38)
	<hr/>	<hr/>
Current tax at blended (2013: blended) rate of 22.162% (2013: 23.6%)	(15)	(9)
<i>Effects of:</i>		
Non deductible expenses	28	23
	<hr/>	<hr/>
Total current tax charge	13	14
	<hr/>	<hr/>

The main rate of UK corporation tax will reduce from 21% to 20% with effect from 1 April 2015. Therefore the effect of the rate reduction on the deferred tax balances has been included in the figures above.

**Notes** *(continued)*

**8 Creditors: amounts falling due within one year**

	2014 £	2013 £
Trade creditors	10,762	10,762
Corporation tax	81	68
	<u>10,843</u>	<u>10,830</u>

**9 Called up share capital**

	2014 £	2013 £
<i>Allotted, called up and fully paid</i>		
Equity: 100 (2013: 100) ordinary shares of £1 each	<u>100</u>	<u>100</u>

**10 Reserves**

	Profit and loss account £
At beginning of year	40,710
Loss for the year	(79)
<b>At end of year</b>	<u><b>40,631</b></u>

**Notes** *(continued)*

**11 Related party disclosures**

There were no related party transactions during the year (2013 : £nil)

**12 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.