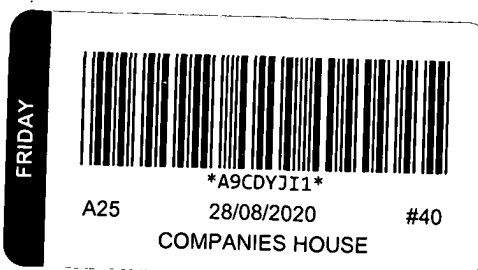


Registered number: 04054452

HARMONDSWORTH DETENTION SERVICES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019



HARMONDSWORTH DETENTION SERVICES LIMITED

COMPANY INFORMATION

Directors	Stuart Anthony Carter Benjamin Charles Edwards (appointed 14 November 2019)
Company secretary	Andrew John McDonald
Registered number	04054452
Registered office	Interserve House Ruscombe Park Twyford Reading Berkshire RG10 9JU

HARMONDSWORTH DETENTION SERVICES LIMITED

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HARMONDSWORTH DETENTION SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The directors present their report and the financial statements for the year ended 31 August 2019.

Going Concern

Harmondsworth Detention Services Limited was a Special Purpose Vehicle whose purpose was to design, construct and manage the Immigration Removal Centre, Harmondsworth.

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 made the decision that Harmondsworth Detention Services Limited would cease to trade and become a dormant company with effect from 1 September 2013. In accordance with the requirements of IAS 1: Presentation and Disclosure, these financial statements are prepared on a basis other than going concern to reflect the fact that trading has ceased. The effect of this is explained in the accounting policies note.

Directors

The directors who served during the year were:

Stuart Anthony Carter

Andrew Jarman (appointed 11 January 2019, resigned 13 November 2019)

Ian Michael Renhard (resigned 31 December 2018)

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, KPMG LLP, Statutory Auditor, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.


Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

HARMONDSWORTH DETENTION SERVICES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

This report was approved by the board and signed on its behalf.

S.A. 

Stuart Anthony Carter
Director

Date: 27 August 2020

Interserve House
Ruscombe Park Twyford
Reading
Berkshire
RG10 9JU

HARMONDSWORTH DETENTION SERVICES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2019

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 judgments and accounting 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;
- 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 (as explained in note 2, 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HARMONDSWORTH DETENTION SERVICES LIMITED

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 2019 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 2. These financial statements have not been prepared on the going concern basis for the reason set out in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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.

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 requirements of the Companies Act 2006.

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 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 1, 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

HARMONDSWORTH DETENTION SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARMONDSWORTH DETENTION SERVICES LIMITED

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.

Auditors' 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.

HARMONDSWORTH DETENTION SERVICES LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARMONDSWORTH DETENTION
SERVICES LIMITED**

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.



Andrew Reddington (Senior statutory auditor)

for and on behalf of

KPMG LLP, Statutory Auditor

Chartered Accountants

1 St Peter's Square
Manchester
M2 3AE
Date: 27th August 2020

HARMONDSWORTH DETENTION SERVICES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	2019 £	2018 £
Administrative expenses		(3,250)	-
Operating (loss)/profit		(3,250)	-
Interest receivable and similar income	6	-	22
Interest payable and expenses	7	(85)	(102)
Loss before tax		(3,335)	(80)
Tax on loss	8	(19)	(2)
Loss for the financial year		<u>(3,354)</u>	<u>(82)</u>

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 11 to 16 form part of these financial statements.


All results arise from discontinued operations.

HARMONDSWORTH DETENTION SERVICES LIMITED
REGISTERED NUMBER: 04054452

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Current assets			
Debtors: amounts falling due within one year	9	-	14
Cash at bank and in hand		51,070	51,154
		<u>51,070</u>	<u>51,168</u>
Creditors: amounts falling due within one year	10	(5,180)	(1,924)
Net current assets		<u>45,890</u>	<u>49,244</u>
Total assets less current liabilities		<u>45,890</u>	<u>49,244</u>
Net assets		<u><u>45,890</u></u>	<u><u>49,244</u></u>
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account		45,790	49,144
		<u>45,890</u>	<u>49,244</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 August 2020.

S.A. 

Stuart Anthony Carter
Director

The notes on pages 11 to 16 form part of these financial statements.

HARMONDSWORTH DETENTION SERVICES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2019**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 September 2017	100	49,226	49,326
Loss for the year	-	(82)	(82)
At 1 September 2018	100	49,144	49,244
Loss for the year	-	(3,354)	(3,354)
At 31 August 2019	100	45,790	45,890

The notes on pages 11 to 16 form part of these financial statements.

HARMONDSWORTH DETENTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. General information

Harmondsworth Detention Services Limited (the "Company") is a company incorporated and domiciled in the UK.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The presentational currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

2.3 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. The financial statements were prepared on a going concern basis to 31 August 2011. 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. In accordance with the requirements of IAS 1: Presentation and Disclosure, these financial statements are prepared on a basis other than going concern to reflect the fact that trading has ceased.

2.4 Impact of new international reporting standards, amendments and interpretations

IFRS 9

There have been no material impacts on the Company's financial statements as a result of adopting IFRS 9 from 01 September 2018.

HARMONDSWORTH DETENTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.4 Impact of new international reporting standards, amendments and interpretations (continued)

IFRS 15

From 01 September 2018, the Company has applied IFRS 15 using the cumulative effect method.

There have been no material impacts on the Company's financial statements as a result of adopting IFRS 15 from 01 September 2018.

2.5 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.6 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents.

2.10 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

HARMONDSWORTH DETENTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.11 Basic financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. 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 only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not believe that there are any accounting policies that would be likely to produce materially different results should there be a change to the underlying judgments, estimates and assumptions.

4. Auditor's remuneration

	2019 £	2018 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<u>1,000</u>	<u>1,000</u>

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2018 - £NIL).

HARMONDSWORTH DETENTION SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

6. Interest receivable

	2019 £	2018 £
Interest on bank deposits	-	22
	<u>-</u>	<u>22</u>

7. Interest payable and similar expenses

	2019 £	2018 £
Bank charges	85	102
	<u>85</u>	<u>102</u>

8. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	-	(15)
Adjustments in respect of previous periods	19	17
	<u>19</u>	<u>2</u>
Total current tax	<u>19</u>	<u>2</u>

HARMONDSWORTH DETENTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

8. Taxation (continued)

Factors affecting tax charge for the year

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016, and the UK deferred tax asset/(liability) as at 31 August 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 any deferred tax asset or liability.

The tax assessed for the year is higher than (2018 - *higher than*) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Loss on ordinary activities before tax	<u>(3,335)</u>	<u>(80)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	(634)	(15)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	634	17
Adjustments to tax charge in respect of prior periods	19	-
Total tax charge for the year	<u><u>19</u></u>	<u><u>2</u></u>

9. Debtors

	2019 £	2018 £
Corporation tax recoverable	-	14
	<u>-</u>	<u>14</u>

HARMONDSWORTH DETENTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

10. Creditors: Amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings	1,924	1,924
Corporation tax	4	-
Accruals and deferred income	3,252	-
	<u>5,180</u>	<u>1,924</u>

11. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
100 (2018 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>
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.		

12. Related party transactions

There were no related party transactions during the year (2018: £nil).

13. Controlling party

The Company's ultimate parent company and ultimate 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.