

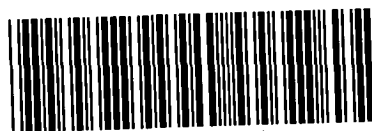
**Harmondsworth Detention Services Limited**

**Directors' report and financial statements**

**Registered number 04054452**

**31 August 2017**

SATURDAY



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16/06/2018  
COMPANIES HOUSE

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## **Directors' report**

The directors present their directors' report and the audited financial statements for the year ended 31 August 2017.

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

Harmondsworth Detention Services Limited was a Special Purpose Vehicle whose purpose was to design, construct and manage the Immigration Removal Centre Harmondsworth, which held 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 of 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 profit for the financial year amounted to £8,766 (2016: £43).

The directors do not recommend the payment of a dividend (2016: £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 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 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 (2016: £nil).

### **Employees**

No staff were employed by the Company during the year (2016: none).

### **Disclosure of information to auditor**

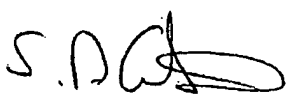
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make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

**Directors' report (continued)**

**Auditor**

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

By order of the board



**S A Carter**  
*Director*

29 May 2018

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), including FRS 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 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;
- 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 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.

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

### **Opinion**

We have audited the financial statements of Harmondsworth Detention Services Limited ("the company") for the year ended 31 August 2017 which comprise the Profit and loss account, Other comprehensive income, Balance sheet, 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 August 2017 and of its profit 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.

### **Going concern**

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 twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### **Strategic report and 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.

### **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.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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.



**Andrew Reddington (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
*Chartered Accountants*  
1 St Peter's Square  
Manchester  
M3 3AE

14th June 2018

**Profit and Loss Account and Other Comprehensive Income**  
*for the year ended 31 August 2017*

	<i>Note</i>	<b>2017</b> £	<b>2016</b> £
Other operating income	4	10,762	-
Interest receivable	5	13	78
Interest payable and similar charges	6	(102)	(105)
<b>Profit / (loss) on ordinary activities before taxation</b>		<b>10,673</b>	<b>(27)</b>
Tax on profit / (loss) on ordinary activities	8	(1,907)	(16)
<b>Profit / (loss) for the financial year and total comprehensive income</b>		<b>8,766</b>	<b>(43)</b>

All results arise from discontinued operations.

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



**Balance Sheet**  
 at 31 August 2017

	Note	2017 £	2016 £
<b>Current assets</b>			
Cash at bank and in hand		51,233	51,338
<b>Creditors: amounts falling due within one year</b>	9	(1,907)	(10,778)
<b>Net assets</b>		<u>49,326</u>	<u>40,560</u>
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Profit and loss account		49,226	40,460
<b>Shareholders' funds</b>		<u>49,326</u>	<u>40,560</u>

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

These financial statements were approved by the board of directors on 25 May 2018 and were signed on its behalf by:

S.A. 

**S A Carter**  
 Director

Company Registered Number: 04054452

**Statement of Changes in Equity**  
*for the year ended 31 August 2017*

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 September 2015	100	40,503	40,603
<b>Total comprehensive income for the period</b>			
Profit or loss	-	(43)	(43)
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	(43)	(43)
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 August 2016</b>	<b>100</b>	<b>40,460</b>	<b>40,560</b>
	<hr/>	<hr/>	<hr/>

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 September 2016	100	40,460	40,560
<b>Total comprehensive income for the period</b>			
Profit or loss	-	8,766	8,766
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	8,766	8,766
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 August 2017</b>	<b>100</b>	<b>49,226</b>	<b>49,326</b>
	<hr/>	<hr/>	<hr/>

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

## Notes forming part of the financial statements

### 1 Accounting policies

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

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2015/15 Cycle) issued in July 2016 and effective immediately have been applied. The presentational currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes

As the consolidated financial statements of Sodexo S.A include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The Company proposes to continue to adopt the *Reduced Disclosure Framework* of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

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 and 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.

## **Notes (continued)**

### **1 Accounting policies (continued)**

#### ***Taxation***

Tax on the profit or loss for the year comprises current tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

#### ***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.

#### ***Trade and other debtors / creditors***

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

#### ***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 for the purpose only of the cash flow statement.

#### ***Accounting estimates and judgements***

In the application of the company's accounting policies the directors are required to make judgements, 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 judgements, estimates and assumptions.

**Notes (continued)**

**2 Directors' emoluments**

No directors received emoluments for their services to the Company (2016: £nil) as the amount of service provided by the directors to the Company is not material.

**3 Staff numbers and cost**

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

**4 Other operating income**

	2017 £	2016 £
Release of historic accruals	10,762	-

**5 Interest receivable**

	2017 £	2016 £
Interest on bank deposits	13	78

**6 Interest payable and similar charges**

	2017 £	2016 £
Bank charges	102	105

**7 Expenses and auditor's remuneration**

Audit fees for the current and prior year are borne by Sodexo Limited and totalled £1,000 (2016: £1,000).

## Notes (continued)

### 8 Taxation

#### Analysis of charge in the year

	2017 £	2016 £
<i>UK corporation tax charge</i>		
UK corporation tax	1,907	16
Adjustments in respect of previous period	-	-
<b>Total current tax</b>	<b>1,907</b>	<b>16</b>
<i>Deferred tax</i>		
Adjustments in respect of previous periods	-	-
<b>Total deferred tax</b>	<b>-</b>	<b>-</b>
<b>Tax on profit on ordinary activities</b>	<b>1,907</b>	<b>16</b>

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

On 1 April 2017, the standard rate of corporation tax changed to 19%. For the purpose of the financial statements to 31 August 2017, a blended rate of corporation tax has been applied.

The total tax charge (2016: charge) is lower (2016: higher) than the standard rate of corporation tax of 19.58% (2016: standard rate of 20%). The differences are explained below.

	2017 £	2016 £
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	10,673	(27)
<b>Total tax at the blended (2016: standard) rate of 19.58% (2016: 20%) would be:</b>	<b>2,090</b>	<b>(5)</b>
<i>The taxation credit has been reduced by:</i>		
Non deductible expenses	(183)	21
<b>Total tax charge</b>	<b>1,907</b>	<b>16</b>

**Notes (continued)**

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

	2017 £	2016 £
Trade creditors	-	10,762
Corporation tax	1,907	16
	<u>1,907</u>	<u>10,778</u>

**10 Capital and reserves**

	2017 £	2016 £
<i>Allotted, called up and fully paid</i>		
Equity: 100 (2016: 100) ordinary shares of £1 each	100	100
	<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.

**11 Related party disclosures**

There were no related party transactions during the year (2016: £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.