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Registered number: 04054452

HARMONDSWORTH DETENTION SERVICES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018



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31/05/2019 #9
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HARMONDSWORTH DETENTION SERVICES LIMITED

COMPANY INFORMATION

Directors	Stuart Anthony Carter Andrew Jarman (appointed 11 January 2018)
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 2018

The directors present their report and the financial statements for the year ended 31 August 2018.

Directors' responsibilities statement

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;
- 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 to 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.

Directors

The directors who served during the year were:

Stuart Anthony Carter
Ian Michael Renhard (resigned 31 December 2018)

Since the year end, Ian Renhard resigned as a director on 31 December 2018 and Andrew Jarman was appointed as a director on 11 January 2019.

HARMONDSWORTH DETENTION SERVICES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018**

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.

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Auditors

Under section 487(2) of the Companies Act 2006, KPMG LLP, Statutory Auditor will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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.

This report was approved by the board on 28.05.2019 and signed on its behalf.



Stuart Anthony Carter
Director

HARMONDSWORTH DETENTION SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARMONDSWORTH DETENTION SERVICES LIMITED

We have audited the financial statements of Harmondsworth Detention Services Limited ("the company") for the year ended 31 August 2018 which comprise the 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 2018 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.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

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.

HARMONDSWORTH DETENTION SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARMONDSWORTH DETENTION SERVICES LIMITED

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 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 AUDITORS' 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.

A. Reddington

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: 31 May 2019

HARMONDSWORTH DETENTION SERVICES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £	2017 £
Other operating income		-	10,762
Operating profit		-	10,762
Interest receivable and similar income	7	22	13
Interest payable and expenses	8	(102)	(102)
(Loss)/profit before tax		(80)	10,673
Tax on (loss)/profit	9	(2)	(1,907)
(Loss)/profit for the financial year		(82)	8,766

There was no other comprehensive income for 2018 (2017: £NIL).

The notes on pages 9 to 14 form part of these financial statements.

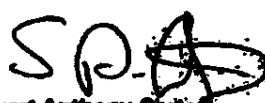
All results arise from discontinued operations.

HARMONDSWORTH DETENTION SERVICES LIMITED
REGISTERED NUMBER: 04854452

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	2018 £	2017 £
Current assets			
Debtors: amounts falling due within one year	10	14	
Cash at bank and in hand		51,164	51,233
		<u>51,168</u>	<u>51,233</u>
Creditors: amounts falling due within one year	11	(1,324)	(1,907)
Net current assets		<u>49,244</u>	<u>49,326</u>
Total assets less current liabilities		<u>49,244</u>	<u>49,326</u>
Net assets		<u>49,244</u>	<u>49,326</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		49,144	49,226
		<u>49,244</u>	<u>49,326</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28.05.2019


Stuart Anthony Carter
 Director

The notes on pages 9 to 14 form part of these financial statements.

HARMONDSWORTH DETENTION SERVICES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2018**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 September 2016	100	48,480	48,580
Profit for the year	-	8,766	8,766
At 1 September 2017	100	48,226	48,326
Loss for the year	-	(82)	(82)
At 31 August 2018	100	48,144	48,244

The notes on pages 9 to 14 form part of these financial statements.

HARMONDSWORTH DETENTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2011

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 Interest income

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

HARMONDSWORTH DETENTION SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

2. Accounting policies (continued)

2.5 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.

2.6 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.

2.7 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.

2.8 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.

2.9 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.

2.10 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.

HARMONDSWORTH DETENTION SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

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. Other operating income

	2018 £	2017 £
Release of historic accruals	-	10,762
	<u>-</u>	<u>10,762</u>

5. Auditors' remuneration

	2018 £	2017 £
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>

6. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2017 - **£NIL**).

HARMONDSWORTH DETENTION SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

7. Interest receivable

	2018 £	2017 £
Interest on bank deposits	22	13
	<u>22</u>	<u>13</u>

8. Interest payable and similar expenses

	2018 £	2017 £
Bank charges	102	102
	<u>102</u>	<u>102</u>

9. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	(16)	1,907
Adjustments in respect of previous periods	17	-
	<u>2</u>	<u>1,907</u>
Total current tax	<u>2</u>	<u>1,907</u>

HARMONDSWORTH DETENTION SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 19.58%). The differences are explained below:

	2018 £	2017 £
(Loss)/profit on ordinary activities before tax	(90)	10,673
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.58%)	(16)	2,090
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	17	(163)
Total tax charge for the year	2	1,907

10. Debtors

	2018 £	2017 £
Corporation tax recoverable	14	-
	14	-

11. Creditors: Amounts falling due within one year

	2018 £	2017 £
Amounts owed to group undertakings	1,824	-
Corporation tax	-	1,907
	1,824	1,907

HARMONDSWORTH DETENTION SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

12. Share capital

	2018	2017
	£	£
Alotted, called up and fully paid		
100 (2017 - 100) Ordinary shares of £1.00 each	100	100

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.

13. Related party transactions

There were no related party transactions during the year (2017: £nil).

14. 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, 92666 Issy-Les-Moulineaux, France.