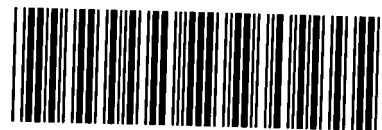


Serco Paisa Limited

**Annual report and financial statements
for the year ended 31 December 2018
Registered number 04908482**

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COMPANIES HOUSE

Directors and officers

Directors

K J Hillas
A D'Arcy

Registered office

CI Tower
St Georges Square
New Malden
Surrey
KT3 4TE

Bankers

The Royal Bank of Scotland
London Corporate Banking
62/63 Threadneedle Street
London
EC2R 8LA

Independent auditors

Ernst & Young LLP
1 Bridgewater Place
Water Lane
Leeds
LS11 5QR

Directors' report

The directors present their Directors' report and audited financial statements of the Company for the year ended 31 December 2018. This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006. As such no Strategic report has been presented.

Principal activities

The principal activity of the Company during the year was the arranging of finance for the clients of Serco Leisure Operating Limited.

Business review

Serco Paisa Limited is a joint venture formed by Syscap Limited and Serco Holdings Limited and is a mechanism to effect finance for Serco Leisure Operating Limited, a wholly owned subsidiary of Serco Holdings Limited, without reference to the Syscap name. As such it is not profit making and does not hold fixed assets. Serco Leisure Operating Limited is involved in managed service contracts.

Results and dividend

The result for the financial year was £nil (2017: £nil).

The directors do not recommend the payment of a dividend (2017: £nil).

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

AJB Young (Resigned 4th May 2018)
S Deutsch (Resigned 31st December 2018)
K J Hillas (Appointed 5th May 2018)
A D'Arcy (Appointed 1st January 2019)

Syscap Limited was appointed as company secretary on 29 July 2009.

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

Donations

The Company made no political or charitable donations during the year (2017: nil).

Statement of Directors' responsibilities

The directors are responsible for preparing the Annual 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 prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

Directors' report (continued)

Statement of Directors' responsibilities (continued)

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 group and the Company and of the profit or loss of the group and 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 accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 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 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.

Financial risk management

The entity's exposure to price risk, credit risk, liquidity risk and cash flow risk is minimal given the nature of the operations.

Future developments

The Company expects to continue with its current activities which are the management of the existing deals.

Going concern

The financial statements have been prepared on a going concern basis, which is based on continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

Statement of 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 he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

These accounts have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

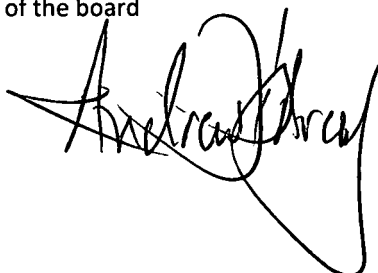
Independent auditors

Ernst & Young LLP have expressed their willingness to continue in office as auditor and were re-appointed as auditors by the Board.

On behalf of the board

A D'Arcy

Director



CI Tower
St Georges Square
New Malden
Surrey
KT3 4TE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERCO PAISA LIMITED

Opinion

We have audited the financial statements of Serco Paisa Limited for the year ended 31 December 2018 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERCO PAISA LIMITED (*continued*)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERCO PAISA LIMITED (*continued*)



Steven Robb
for and on behalf of Ernst & Young LLP, Statutory Auditor
Leeds
27 March 2019

Notes:

1. The maintenance and integrity of the web site within which these accounts are available is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Profit and loss account
for the year ended 31 December 2018

	<i>Note</i>	2018 £	2017 £
Turnover	4	-	977,174
Cost of sales		-	(977,174)
		<hr/>	<hr/>
Result on ordinary activities before and after taxation	5	-	-
		<hr/>	<hr/>

All results derive from continuing operations.

There are no material differences between the result on ordinary activities before taxation and the result for the financial year stated above and their historical cost equivalents.

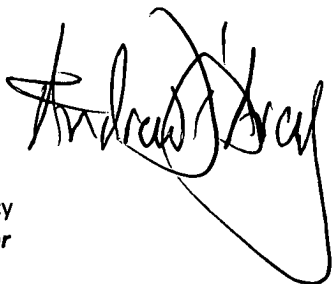
The result for each financial year represents the total recognised gains of that year and therefore no separate statement of comprehensive income has been presented.

Balance sheet
as at 31 December 2018

	<i>Note</i>	2018 £	2017 £
Current assets			
Debtors	7	720	42,800
Cash at bank and in hand		271	361
		991	43,161
Current liabilities			
Creditors: amounts falling due within one year	8	(791)	(42,961)
Net current assets		200	200
Net assets		200	200
Capital and reserves			
Called up share capital	9	200	200
Total shareholders' funds		200	200

These financial statement have been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

The financial statements on pages 7 to 12 were approved by the board of directors on 26 March 2019 and were signed on its behalf by:



A D'Arcy
Director

**Statement of changes in equity
for the year ended 31 December 2018**

	Called up share capital	Total shareholders' funds
	£	£
Balance as at 1 January 2017	200	200
Result for the year	-	-
Balance as at 31 December 2017	<u>200</u>	<u>200</u>
Balance as at 1 January 2018	200	200
Result for the year	-	-
Balance as at 31 December 2018	<u>200</u>	<u>200</u>

**Cash flow statement
for the year ended 31 December 2018**

	Note	2018 £	2017 £
Net cash outflow from operating activities	11	(90)	(60)
Decrease in cash and cash equivalents		(90)	(60)
Cash and cash equivalents at the beginning of the year		361	421
Cash and cash equivalents at the end of the year		271	361

Notes to the financial statements

1 Statutory information

Serco Paisa Limited (the "company") is a company domiciled in England and Wales, registration number 04908482. The registered office is CI Tower, St Georges Square, New Malden, Surrey, KT3 4TE. The principal activity of the Company is the arranging of finance for the clients of Serco Leisure Operating Ltd.

2 Compliance with accounting standards

The Company's financial statements have been prepared in compliance with United Kingdom accounting standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102"), and the Companies Act 2006.

3 Accounting policies

The principal accounting policies are set out below and have been applied consistently throughout the year.

Basis of accounting

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with applicable UK accounting standards, provisions of the Companies Act 2006 and in compliance with the Statement of recommended accounting practice issued by the Finance and Leasing Association.

Turnover

Turnover is stated exclusive of value added tax and represents proceeds receivable from agreements entered into to finance contracts between the Company and the clients of Serco Leisure Operating Limited.

Cash resources

Cash for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

Debtors

Trade debtors are measured at transaction price, less any impairment.

Creditors

Trade creditors are measured at the transaction price.

Critical accounting estimates and assumptions

Due to the nature of the business of Serco Paisa, management has not applied any significant judgement or estimation in the production of these financial statements.

Going concern

The financial statements have been prepared on a going concern basis, which is based on continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The directors believe that the going concern basis of preparation continues to be appropriate for the Company.

4 Turnover

There is no turnover for the year. Serco Leisure have not invoiced Serco Paisa.

Notes to the financial statements (continued)

5 Result on ordinary activities before taxation

	2018	2017
	£	£
<i>Services provided by the Company's auditors</i>		
Fees payable for the audit (borne 50% by a group company and 50% by a third party)	4,100	4,000

There have been no non-audit fees paid by the Company during the year (2017: nil).

6 Directors' Remuneration

The Company employed two directors during the year; the cost borne by the Company in the year for directors' services was £nil (2017: £nil). A group holding company has borne the expense covering the directors' services to the Company and it is not practicable to apportion these amounts between services as directors of the Company and services as directors of the holding and fellow subsidiary companies.

7 Debtors

	2018	2017
	£	£
Trade debtors	-	42,085
Amounts owed by Serco Leisure Operating Limited	705	705
Other debtors	15	10
	<hr/> 720 <hr/>	<hr/> 42,800 <hr/>

Amounts owed by Serco Leisure Operating Limited are unsecured, interest free and repayable on demand.

8 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	-	42,085
Amounts owed to Syscap Limited	791	876
	<hr/> 791 <hr/>	<hr/> 42,961 <hr/>

Amounts owed to Syscap Limited are unsecured, interest free and repayable on demand.

9 Called up share capital

	2018	2017
	£	£
<i>Authorised, allotted, called up and fully paid</i>		
200 (2017: 200) ordinary shares of £1 each	200	200
	<hr/> 200 <hr/>	<hr/> 200 <hr/>

Notes to the financial statements (continued)

10 Analysis of net funds

	1 January 2018 £	Cash flow £	31 December 2018 £
Cash at bank and in hand	361	(90)	271
	<u> </u>	<u> </u>	<u> </u>

11 Net cash outflow from operating activities

	2018 £	2017 £
Reconciliation of operating result to net cash flow from operating activities		
Operating result	-	-
Decrease in debtors	42,080	139,413
(Decrease) in creditors	(42,170)	(139,473)
	<u> </u>	<u> </u>
Net cash outflow from operating activities	(90)	(60)
	<u> </u>	<u> </u>

12 Related party disclosures

During the year the Company purchased assets from Serco Leisure Operating Limited, a wholly owned subsidiary of Serco Holdings Limited, amounting to £nil (2017: £977,174). Financing proceeds brokered by Syscap Limited during the year amounted to £nil (2017: £977,174).

13 Controlling parties

The Company is jointly owned and controlled by Serco Holdings Limited and Syscap Limited with each of these entities holding 100 ordinary shares in the Company.

The largest group in which the results of the Company are consolidated is headed by Wesleyan Assurance Society Limited. The consolidated financial statements of this Group may be obtained from the principal place of business at 8th Floor, CI Tower, St. Georges Square, New Malden, Surrey, KT3 4TE.

14 Post balance sheet events

There have been no significant events after the statement of financial position date.