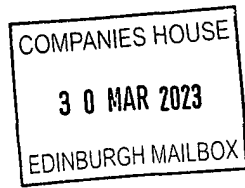
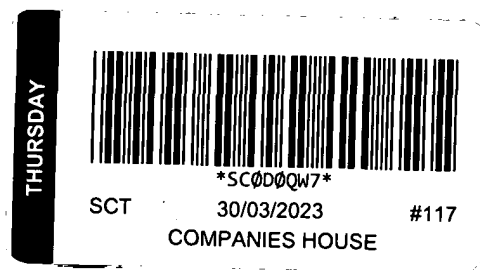


COMPANY REGISTRATION NUMBER: 05826005



Justice Support Services (North Kent) Holdings Limited
Unaudited Annual Report and Financial Statements
31 March 2022



Justice Support Services (North Kent) Holdings Limited

Annual Report and Financial Statements

Year Ended 31 March 2022

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Justice Support Services (North Kent) Holdings Limited

Officers and Professional Advisers

The Board of Directors

M Donn
P E Gill

Company Secretary

Infrastructure Managers Limited

Registered Office

Cannon Place
78 Cannon Street
London
EC4N 6AF

Justice Support Services (North Kent) Holdings Limited

Directors' Report

Year Ended 31 March 2022

The directors present their report and the unaudited Annual Report and Financial Statements of Justice Support Services (North Kent) Holdings Limited ("the Company") for the year ended 31 March 2022.

Principal activities

The Company is an investment holding company whose sole business is the holding of an investment in its wholly owned subsidiary, Justice Support Services (North Kent) Limited. The principal activities of the subsidiary company are the supply of certain services and maintenance of a police station with a custodial unit in accordance with the terms of an agreement with Kent Police Authority. This agreement together with a loan facilities agreement, a construction contract, a facilities management contract and other related contracts were signed on 21 July 2006. The concession period runs for a period of 30 years from this date. Justice Support Services (North Kent) Limited entered administration on 6 December 2022.

Performance Review

The loss for the financial year, after taxation, amounted to (£5,481,657) (2021: £nil).

The directors do not foresee any significant change in the Company's activities in the coming financial year.

Key Performance Indicators

In its role as a holding company there are no key performance indicators for the directors to monitor. However, from a group point of view the investment, Justice Support Services (North Kent) Limited, entered administration on 6 December 2022 and is currently being managed by the project lenders. As such the directors believe that further analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the performance or position of the Company.

Going Concern

The Company's cash flows are dependent on the performance of its investment. The investment, Justice Support Services (North Kent) Limited, went into administration on 6 December 2022. The objective of the administrators is to rescue the investment as a going concern, however due to this uncertainty the directors may need to wind up the Company sometime in the future and therefore it may not remain in operation for a period longer than 12 months from the date of this report. As such the equity and loan investment in Justice Support Services (North Kent) Limited has been fully impaired in the current period which has resulted in the Company reporting a shareholder deficit/net current liabilities. As a result, the financial statements are prepared on a basis other than going concern.

Directors

The directors who served the company during the year and up to the date of this report were as follows:

M Donn
P E Gill
K M Hill
A R J Thakrar
T Ryan

(Resigned 8 June 2021)
(Resigned 20 October 2021)
(Served from 8 June 2021 to 9 March 2022)

Justice Support Services (North Kent) Holdings Limited

Directors' Report *(continued)*

Year Ended 31 March 2022

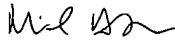
Qualifying third party indemnity provisions

The Company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 29 March 2023 and signed by order of the board by:



Michael Donn
Director

Justice Support Services (North Kent) Holdings Limited

Statement of Comprehensive Income

Year Ended 31 March 2022

	Note	2022 £	2021 £
Interest receivable and similar income	5	600,251	569,094
Amounts written off investments	6	(5,481,657)	—
Interest payable and similar expenses	7	(600,251)	(569,094)
Loss before taxation		(5,481,657)	—
Tax on profit from ordinary activities	8	—	—
Loss for the financial year and total comprehensive expense		<u>(5,481,657)</u>	<u>—</u>

All the activities of the company are from discontinued operations.

The notes on pages 7 to 12 form part of these Financial Statements.

Justice Support Services (North Kent) Holdings Limited

Statement of Financial Position

As at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	9	–	10,000
Current assets			
Debtors: amounts falling due within one year	10	–	1,309,456
Debtors: amounts falling due after more than one year	10	–	3,861,950
		–	5,171,406
Creditors: amounts falling due within one year	11	(5,239,998)	(1,309,456)
Net current (liabilities)/assets		(5,239,998)	3,861,950
Total assets less current liabilities		(5,239,998)	3,871,950
Creditors: amounts falling due after more than one year	12	–	(3,861,950)
Net (liabilities)/assets		(5,239,998)	10,000
Capital and reserves			
Called up share capital	13	10,000	10,000
Retained earnings	14	(5,249,998)	–
Total shareholders' (deficit)/funds		(5,239,998)	10,000

For the year ending 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its Annual Report and Financial Statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the Annual Report and Financial Statements.

These Annual Report and Financial Statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The Financial Statements were approved by the board of directors and authorised for issue on 29 March 2023, and are signed on behalf of the board by:


M Dohn

Director

Company registration number: 05826005

The notes on pages 7 to 12 form part of these Financial Statements.

Justice Support Services (North Kent) Holdings Limited

Statement of Changes in Equity

Year Ended 31 March 2022

	Called up share capital £	Retained earnings £	Total £
At 1 April 2020	10,000	–	10,000
Result for the financial year		–	–
At 31 March 2021	10,000	231,659	241,659
Loss for the financial year		(5,481,657)	(5,481,657)
Total comprehensive expense for the year	–	(5,481,657)	(5,481,657)
At 31 March 2022	<u>10,000</u>	<u>(5,249,998)</u>	<u>(5,239,998)</u>

The notes on pages 7 to 12 form part of these Financial Statements.

Justice Support Services (North Kent) Holdings Limited

Notes to the Annual Report and Financial Statements

Year Ended 31 March 2022

1. General information

Justice Support Services (North Kent) Holdings Limited ("the Company") is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Cannon Place, 78 Cannon Street, London, EC4N 6AF.

The Company is an investment holding company whose sole business is the holding of an investment in its wholly owned subsidiary, Justice Support Services (North Kent) Limited.

The Company's functional and presentation currency is the pound sterling.

2. Statement of compliance

The individual financial statements of Justice Support Services (North Kent) Holdings Limited 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 the Republic of Ireland" ("FRS 102") and the Companies Act 2006 and the Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 (SI 2015/980).

3. Accounting policies

(a) Basis of preparation

As disclosed in the Directors' Report on pages 2 to 3, these financial statements are prepared on a basis other than going concern. This basis entails that;

(a) creditors: amounts falling due after more than one year are reclassified as current assets and liabilities;

(b) assets are written down to their recoverable value (that is, lower of cost or recoverable value); and

(c) provisions are made for liabilities arising as a result of the decision to cease trading where an obligation exists at the statement of financial position date.

Comparative balances, for the year ended 31 March 2021, have not been restated.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed further in the accounting policies.

(b) Going concern

The Company's cash flows are dependent on the performance of its investment. The investment, Justice Support Services (North Kent) Limited, went into administration on 6 December 2022. The objective of the administrators is to rescue the investment as a going concern, however due to this uncertainty the directors may need to wind up the Company sometime in the future and therefore it may not remain in operation for a period longer than 12 months from the date of this report. As such the equity and loan investment in Justice Support Services (North Kent) Limited has been fully impaired in the current period which has resulted in the Company reporting a shareholder deficit/net current liabilities. As a result, the financial statements are prepared on a basis other than going concern.

Justice Support Services (North Kent) Holdings Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2022

3. Accounting policies *(continued)*

(c) Disclosure exemptions

The company has taken advantage of the exemption in FRS 102 Section 7 'Statement of Cash Flows' part 1B, which states that a small company is not required to prepare a cash flow statement.

(d) Consolidation

The company has taken advantage of the option not to prepare a consolidated Annual Report and Financial Statements contained in Section 399 of the Companies Act 2006 on the basis that the entity and its subsidiary undertakings comprise a small group.

(e) Judgments and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported. These estimates and judgments are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgments

The judgments (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty are as follows:

i) Impairment of assets

The carrying value of those assets recorded in the Company's Statement of Financial Position, at amortised cost, could be materially reduced where circumstances exist which might indicate that an asset has been impaired and an impairment review is performed. Impairment reviews consider the fair value and/or value in use of the potentially impaired asset or assets and compares that with the carrying value of the asset or assets in the Statement of Financial Position. Any reduction in value arising from such a review would be recorded in the Statement of Comprehensive Income. Impairment reviews involve the significant use of assumptions. Consideration has to be given as to the price that could be obtained for the asset or assets, or in relation to a consideration of value in use, estimates of the future cash flows that could be generated by the potentially impaired asset or assets, together with a consideration of an appropriate discount rate to apply to those cash flows.

Justice Support Services (North Kent) Holdings Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2022

3. Accounting policies *(continued)*

(f) Income tax

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i) Current Tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(g) Borrowings

Borrowings are recognised at amortised cost using the effective interest rate method. Under the effective interest rate method, any transaction fees, costs, discounts and premiums directly related to the borrowings are recognised in the Statement of Comprehensive Income over the life of the borrowings. Borrowings with maturities greater than twelve months after the reporting date are classified as non-current liabilities.

(h) Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

(i) Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Justice Support Services (North Kent) Holdings Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2022

4. Particulars of employees and directors

The average number of persons employed by the Company during the financial year amounted to nil (2021: nil). The directors are not employed by the Company and did not receive any remuneration from the Company during the year (2021: £nil).

5. Interest receivable and similar income

	2022	2021
	£	£
Interest from Group undertakings	<u>600,251</u>	<u>569,094</u>

6. Amounts written off investments

	2022	2021
	£	£
Impairment of other fixed asset investments	<u>5,481,657</u>	<u>—</u>

Justice Support Services (North Kent) Limited entered administration on 6 December 2022 and as such the equity and debt held in the investment has been fully impaired at the year end.

7. Interest payable and similar expenses

	2022	2021
	£	£
Interest due to Group undertakings	<u>600,251</u>	<u>569,094</u>

8. Tax on profit from ordinary activities

Reconciliation of tax income

The tax assessed on the loss for the year is higher than (2021: the same as) the standard rate of corporation tax in the UK of 19% (2021: 19%).

	2022	2021
	£	£
Loss before taxation	<u>(5,481,657)</u>	<u>—</u>
Loss before taxation by rate of tax	<u>(1,041,515)</u>	<u>—</u>
Expenses not deductible for tax purposes	<u>1,041,515</u>	<u>—</u>
Total tax credit	<u>—</u>	<u>—</u>

Justice Support Services (North Kent) Holdings Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2022

9. Investments

	Shares in group undertakings £
Cost	
At 1 April 2021 and 31 March 2022	<u>10,000</u>
Impairment	
At 1 April 2021	-
Impairment losses	<u>10,000</u>
At 31 March 2022	<u>10,000</u>
Carrying amount	
At 31 March 2022	-
At 31 March 2021	<u>10,000</u>

The company owns 100% of the issued share capital of Justice Support Services (North Kent) Limited.

The value of investments at the balance sheet date reflects the 100% ownership of the share capital of Justice Support Services Limited, less the subsequent impairment as the investment is now in administration.

10. Debtors

Debtors amounts falling due within one year are as follows:

	2022 £	2021 £
Amounts owed by Group undertakings	<u>-</u>	<u>1,309,456</u>

Debtors amounts falling due after more than one year are as follows:

	2022 £	2021 £
Amounts owed by Group undertakings	<u>-</u>	<u>3,861,950</u>

Amounts owed by group undertakings greater than one year consists of loans due from the subsidiary. This is a subordinated loan due from Justice Support Services (North Kent) Limited which carries an annual interest rate of 12.03% and is repayable in September 2036. Justice Support Services (North Kent) Limited entered administration on 6 December 2022 and the debt has been impaired at the year end.

11. Creditors: amounts falling due within one year

	2022 £	2021 £
Amounts owed to Group undertakings	<u>5,239,998</u>	<u>1,309,456</u>

Justice Support Services (North Kent) Holdings Limited

Notes to the Annual Report and Financial Statements *(continued)*

Year Ended 31 March 2022

11. Creditors: amounts falling due within one year *(continued)*

The amounts owed to group undertakings relate to £1,609,707 subordinated debt interest payable and £3,861,950 unsecured loan stock which bears interest at 12.03%. Owing to the change in going concern assumption the loan stock has now been reclassified as falling due within one year.

12. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Amounts owed to group undertakings	<u>—</u>	<u>3,861,950</u>

The subordinated loan stock is unsecured and bears interest at 12.03%. Owing to the change in going concern assumption the loan stock has now been reclassified as falling due within one year.

13. Called up share capital

Issued, called up and fully paid

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

There is a single class of ordinary share. There are no restrictions on the distribution of dividends and the repayment of capital.

14. Reserves

Retained earnings records retained earnings and accumulated losses.

15. Related party transactions

The following disclosures are with entities in the group that are not wholly owned:

Aberdeen Infrastructure (No.3) Limited is a 50% shareholder in the Company and an associated company, Aberdeen Infrastructure Limited, is the holder of £1,930,975 (2021: £1,930,975) in subordinated loan notes due from the company. Interest expense in the year was £300,125 (2021: £284,547), of which £804,854 (2021: £654,729) was outstanding at year end.

Equitix is a 50% shareholder in the Company and is the holder of £1,930,975 (2021: £1,930,975) in subordinated loan notes due from the company. Interest expense in the year was £300,125 (2021: £284,547), of which £804,854 (2021: £654,729) was outstanding at year end.

16. Controlling party

The share capital of the Company is jointly held by Aberdeen Infrastructure (No.3) Limited and Equitix (Caterham) Acquisition Co 1 Limited. Each party holds 50% and thus it is the directors' opinion that there remains no ultimate controlling party.

Aberdeen Infrastructure (No.3) Limited and Equitix (Caterham) Acquisition Co 1 Limited are incorporated in the United Kingdom and registered in England and Wales. Copies of the accounts of these companies can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.