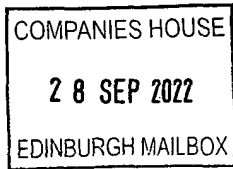


COMPANY REGISTRATION NUMBER: 03849142



Premier Custodial Investments Limited
Unaudited Annual Report and Financial Statements
31 December 2021



Premier Custodial Investments Limited

Annual Report and Financial Statements

Year Ended 31 December 2021

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Premier Custodial Investments Limited

Officers and Professional Advisers

The Board of Directors

John Cavill
Peter Sheldrake

Company Secretary

Infrastructure Managers Limited

Registered Office

Cannon Place
78 Cannon Street
London
EC4N 6AF

Bankers

Bank of Scotland
The Mound
Edinburgh
EH1 1YZ

Premier Custodial Investments Limited

Directors' Report

Year Ended 31 December 2021

The directors present their report and the unaudited Annual Report and Financial Statements of Premier Custodial Investments Limited ("the Company") for the year ended 31 December 2021.

Principal Activities

The Company's principal activity is that of a holding company with subsidiaries engaged in the design, construction, management and finance of custodial facilities.

Performance Review

The profit for the financial year, after taxation, amounted to £18,287 (2020: £3,085,017).

The profit for the financial year will be transferred to reserves.

During the year, the company has formally executed a redemption of its entire share premium account, transferring £600,003 to retained earnings. This has increased the Company's distributable reserves.

The directors are satisfied with the overall performance of the Company and 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 performance of the investment is assessed every six months by testing the cash resources against projected cashflows.

Going Concern

Cash flow forecasts are prepared for the underlying investment looking over the expected life of the asset and so including the 12 month period from the date the financial statements are signed. In drawing up these forecasts, the directors have made assumptions based upon their view of the current and future economic conditions, that will prevail over the forecast period.

The Company's cash flows are dependent on the performance of its investment. After reviewing the performance of the investment, which is done on a regular basis, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

In light of this, the directors continue to adopt the going concern basis of accounting in preparing the Company's annual financial statements.

Directors

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

John Cavill
Peter Sheldrake

Dividends

Particulars of dividends paid are detailed in note 9 to the financial statements.

Premier Custodial Investments Limited

Directors' Report *(continued)*

Year Ended 31 December 2021

Qualifying Third Party Indemnity Provisions

During the year, and at the date of this report, the Company has in place qualifying third party indemnity provisions for the benefit of its directors.

Small Company Provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

This report was approved by the board of directors on 26 September 2022 and signed by order of the board by:



Mike Forrest on behalf of Infrastructure Managers Limited
Company Secretary

Premier Custodial Investments Limited

Statement of Comprehensive Income

Year Ended 31 December 2021

	Note	2021 £	2020 £
Administrative expenses		(48)	(995)
Operating loss		(48)	(995)
Income from shares in Group undertakings	5	–	3,130,000
Interest receivable and similar income	6	–	30,825
Amounts written back to investments	7	–	(74,813)
(Loss)/profit before taxation		(48)	3,085,017
Tax on (loss)/profit	8	18,335	–
Profit for the financial year and total comprehensive income		<u>18,287</u>	<u>3,085,017</u>

All the activities of the Company are from continuing operations.

The notes on pages 7 to 13 form part of these Financial Statements.

Premier Custodial Investments Limited

Statement of Financial Position

As at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	10	200,188	200,188
Current assets			
Cash at bank and in hand		2,637,213	3,987,261
Creditors: amounts falling due within one year	11	(1,816,765)	(2,100,100)
Net current assets		<u>820,448</u>	<u>1,887,161</u>
Total assets less current liabilities		<u>1,020,636</u>	<u>2,087,349</u>
Capital and reserves			
Called up share capital	12	2	400,003
Share premium account	13	–	600,003
Retained earnings	13	1,020,634	1,087,343
Total shareholders' funds		<u>1,020,636</u>	<u>2,087,349</u>

For the year ending 31 December 2021 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary 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.

The Financial Statements were approved by the board of directors and authorised for issue on 26 September 2022, and are signed on behalf of the board by:



Peter Sheldrake
Director

Company registration number: 03849142

The notes on pages 7 to 13 form part of these Financial Statements.

Premier Custodial Investments Limited

Statement of Changes in Equity

Year Ended 31 December 2021

	Called up share capital £	Share premium account £	Retained earnings £	Total £
At 1 January 2020	400,003	600,003	82,867	1,082,873
Profit for the financial year	—	—	3,085,017	3,085,017
Total comprehensive income for the year	—	—	3,085,017	3,085,017
Dividends paid and payable	9 —	—	(2,080,541)	(2,080,541)
Total investments by and distributions to owners	—	—	(2,080,541)	(2,080,541)
At 31 December 2020	400,003	600,003	1,087,343	2,087,349
Profit for the financial year	—	—	18,287	18,287
Total comprehensive income for the year	—	—	18,287	18,287
Dividends paid and payable	9 —	—	(1,085,000)	(1,085,000)
Cancellation of subscribed capital	(400,001)	—	400,001	—
Redemption of shares	—	(600,003)	600,003	—
Total investments by and distributions to owners	(400,001)	(600,003)	(84,996)	(1,085,000)
At 31 December 2021	<u>2</u>	<u>—</u>	<u>1,020,634</u>	<u>1,020,636</u>

The notes on pages 7 to 13 form part of these Financial Statements.

Premier Custodial Investments Limited

Notes to the Annual Report and Financial Statements

Year Ended 31 December 2021

1. General Information

Premier Custodial Investments Limited 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's principal activity is that of a holding company with subsidiaries engaged in the design, construction, management and finance of custodial facilities.

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

2. Statement of Compliance

The individual financial statements of Premier Custodial Investments 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.

3. Accounting Policies

(a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities.

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.

The accounting policies stated below have been consistently applied to the years presented, unless otherwise stated.

(b) Going concern

Cash flow forecasts are prepared for the underlying investments looking over the expected life of the asset and so including the 12 month period from the date the financial statements are signed. *In drawing up these forecasts, the directors have made assumptions based upon their view of the current and future economic conditions, that will prevail over the forecast period.*

The Company's cash flows are dependent on the performance of its investments. After reviewing the performance of the investments, which is done on a regular basis, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

In light of this, the directors continue to adopt the going concern basis of accounting in preparing the Company's annual financial statements.

Premier Custodial Investments Limited

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

Year Ended 31 December 2021

3. Accounting Policies *(continued)*

(c) Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of BIIF Holdco Limited which can be obtained from the Company Secretary at Cannon Place, 78 Cannon Street, London, EC4N 6AF. As such, advantage has been taken of the following disclosure exemptions available under FRS 102:

- (a) No cash flow statement has been presented for the Company.
- (b) Certain disclosures required by Sections 11 and 12 of FRS 102 (Basic Financial Instruments and Other Financial Instruments Issues respectively)

The Company is wholly owned by BIIF Holdco Limited and has taken advantage of the exemption in section 33 of FRS 102 'Related Party Disclosures', that allows it not to disclose transactions with wholly owned members of a group.

(d) Consolidation

The company is a wholly-owned subsidiary of BIIF Holdco Limited, a company incorporated in England and Wales. In accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts.

(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.

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 less any impairment losses, 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 compare 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.

Premier Custodial Investments Limited

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

Year Ended 31 December 2021

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. The directors periodically evaluate 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) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of six months or less and bank overdrafts. Bank overdrafts are shown within borrowings in 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 are largely independent of the cash inflows from other assets or groups of assets.

4. Particulars of Employees and Directors

The average number of persons employed by the Company during the financial year, including the directors, amounted to nil (2020: nil). The directors did not receive any remuneration from the Company during the year (2020: £nil).

Premier Custodial Investments Limited

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

Year Ended 31 December 2021

5. Income from Shares in Group Undertakings

	2021	2020
	£	£
Income from Group undertakings	<u>-</u>	<u>3,130,000</u>

6. Interest Receivable and Similar Income

	2021	2020
	£	£
Interest on cash and cash equivalents	-	42
Interest from Group undertakings	<u>-</u>	<u>30,783</u>
	<u>-</u>	<u>30,825</u>

7. Amounts Written Back to Investments

	2021	2020
	£	£
Impairment of investments in subsidiary	<u>-</u>	<u>74,813</u>

During the year impairments of £Nil (2020: £74,813) were made against equity investments.

8. Tax on (Loss)/Profit

Major components of tax income

	2021	2020
	£	£
Current tax:		
Adjustments in respect of prior periods	<u>(18,335)</u>	<u>-</u>
Tax on (loss)/profit	<u>(18,335)</u>	<u>-</u>

Reconciliation of tax income

The tax assessed on the (loss)/profit for the year is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021	2020
	£	£
(Loss)/profit before taxation	<u>(48)</u>	<u>3,085,017</u>
(Loss)/profit before taxation by rate of tax	<u>(9)</u>	<u>586,153</u>
Adjustment to tax charge in respect of prior periods	<u>(18,335)</u>	<u>-</u>
Effect of expenses not deductible for tax purposes	<u>9</u>	<u>14,214</u>
Tax exempt income	<u>-</u>	<u>(594,700)</u>
Group relief not paid for	<u>-</u>	<u>(5,667)</u>
Total tax credit	<u>(18,335)</u>	<u>-</u>

Premier Custodial Investments Limited

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

Year Ended 31 December 2021

8. Tax on (Loss)/Profit *(continued)*

Current tax includes a credit of £18,335 that represents historic group relief balances written off as part of a group-wide exercise.

9. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2021 £	2020 £
Equity dividend of £542,500 (2020: £5.20) per ordinary share	<u>1,085,000</u>	<u>2,080,541</u>

10. Investments

	Shares in Group undertaking s £
Cost	
At 1 January 2021 and 31 December 2021	<u>275,001</u>
Impairment	
At 1 January 2021 and 31 December 2021	<u>74,813</u>
Carrying amount	
At 31 December 2021	<u>200,188</u>
At 31 December 2020	<u>200,188</u>

Premier Custodial Investments Limited

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

Year Ended 31 December 2021

10. Investments *(continued)*

The Company owns 100% of the ordinary share capital of Lowdham Grange Prison Services Limited, a Company registered at Cannon Place, 78 Cannon Street, London, EC4N 6AF.

	2021 £	2020 £
Aggregate capital and reserves	267,180	370,881
Profit/(loss) for the year	(103,701)	(149,247)

The carrying value of the investment is supported by the net assets of the subsidiary.

The Company owns 100% of the ordinary share capital of Moreton Prison Services Limited, a Company registered at Cannon Place, 78 Cannon Street, London, EC4N 6AF.

	2021 £	2020 £
Aggregate capital and reserves	6,194,714	6,117,459
Profit/(loss) for the year	77,255	203,859

The carrying value of the investment is supported by the net assets of the subsidiary.

The Company owns 100% of the ordinary share capital of Pucklechurch Custodial Services Limited, a Company registered at Cannon Place, 78 Cannon Street, London, EC4N 6AF.

	2021 £	2020 £
Aggregate capital and reserves	1,217,603	1,331,210
Profit/(loss) for the year	(113,607)	(39,002)

The carrying value of the investment is supported by the net assets of the subsidiary.

11. Creditors: amounts falling due within one year

	2021 £	2020 £
Amounts owed to Group undertakings	1,816,765	2,100,100

Amounts owed to Group undertakings relates to group tax relief of £Nil (2020: £18,335) and trading balances which bear no interest and are repayable on demand.

12. Called Up Share Capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
'A' ordinary shares of £1 each	1	1	1	1
'B' ordinary shares of £1 each	1	1	400,002	400,002
	<u>2</u>	<u>2</u>	<u>400,003</u>	<u>400,003</u>

Premier Custodial Investments Limited

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

Year Ended 31 December 2021

12. Called Up Share Capital *(continued)*

The 'A' share is held by Premier Custodial Finance Limited, granting the holder an entitlement to all equity distributions of the company, until its debt is repaid, after which date it has no entitlement to equity distributions, and no entitlement to any voting rights.

During the year a share capital reduction was filed with Companies House which reduced the share capital by £400,001 and transferred this amount to retained earnings.

13. Reserves

Retained earnings records retained earnings and accumulated losses.

14. Controlling Party

The immediate parent undertaking is Matrix Premier Holdings Limited.

The intermediate parent undertaking is BIIF Holdco Limited, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of BIIF Holdco Limited consolidated financial statements can be obtained from the Company Secretary at Cannon Place, 78 Cannon Street, London, EC4N 6AF.

The ultimate parent and controlling party is BIIF L.P. BIIF L.P. is owned by a number of investors with no one investor having individual control.