

GB Partnerships Limited

Directors' Report and Financial Statements

Year Ended

31 March 2020

Company Number 04299396



GB Partnerships Limited

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Company Information

Directors	E Siew P T Ferry
Registered number	04299396
Registered office	9th Floor Cobalt Square 83-85 Hagley Road Birmingham England B16 8QG
Independent auditors	BDO LLP Two Snowhill Birmingham B4 6GA

GB Partnerships Limited

Directors' Report For the Year Ended 31 March 2020

The Directors present their report and the financial statements for the year ended 31 March 2020.

In preparing this report, the Directors have taken advantage of the exemption from the requirement to prepare a Strategic Report.

Principal activities

gbpartnerships is a development company that works across the public sector. In the recent past, it has worked primarily in the health sector in partnership with LIFTCos to support CCGs and GPs to identify gaps in service delivery and provide a forum for all stakeholders to ensure the clients' needs and strategy are met.

In order to achieve this gbpartnerships provides a range of partnering services and staff both locally and centrally. These services include estates management, business performance, property development, health planning, financial and investment support, project management, strategic advice and consultancy services.

The Company employs a dedicated team, which through innovation and partnership working has provided value for money solutions in a very challenging environment.

Results and dividends

The profit for the year, after taxation, amounted to £64,225 (2019 - £332,152).

No dividends were paid (2019 - £Nil) during the year. The Directors do not recommended the payment of a dividend.

Directors

The Directors who served during the year and up to the date of signing this report were:

E Siew

P T Ferry (appointed 29 August 2019)

Going concern

Considering the Coronavirus pandemic, the Directors have performed cash flow forecasts covering a period of 12 months from the date of signing the financial statements. These forecasts show that the Company will have sufficient liquidity for the going concern assessment period. Stress tests have been performed on these forecasts which show the Company will have sufficient cashflows generated from long term contracts to operate and meet its financial obligations as they fall due. Based on this review and the future business prospects of the Company, the Directors believe the Company will be able to meet its liabilities as they fall due, and have not identified any material uncertainties relating to going concern.

Qualifying third party indemnity provisions

The Company has put in place qualifying third party indemnity provisions for all of the Directors of the Company which was in force at the date of approval of this report.

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.

GB Partnerships Limited

Directors' Report (continued) For the Year Ended 31 March 2020

Post balance sheet events

The COVID-19 pandemic is unprecedented in its scale and is having significant impact on the UK economy, the full extent of which is unknown at this time. This creates uncertainty in respect of all future business plans, but at the time of writing the Directors do not believe there is any going concern risk to the Company.

The Company receives management fees for the provision of estates management, financial services and business development services to LIFTCOs under long term contracts. Whilst the COVID 19 pandemic has created new challenges, obligations under these contracts have continued to be successfully fulfilled and therefore the level of fees received from this service provision remain unaffected by the COVID 19 pandemic.

The Company also provides project management, strategic advice and consultancy services. Whilst some projects have been delayed from 1st April 2020 due to the COVID 19 pandemic, new projects have also arisen in response to the pandemic which the Company has been well positioned to deliver. Previously delayed projects are also now beginning to move forward.

In response to the COVID 19 pandemic, a policy of working from home wherever possible has been implemented and the Company has continued to operate fully. The Directors have taken additional measures to support staff including but not limited to home working risk assessments. Where home working has not been possible, clear and comprehensive protocols have been issued to ensure compliance with government guidelines and to protect staff.

In April 20 the Company opted to defer VAT payments as permitted by HMRC. This was deemed a prudent response to the high level of uncertainty at the time over the impact COVID 19 could have on business operations.

The Directors have reviewed the future liquidity requirements and have considered the cash flow forecasts of the Company which show the Company is able to operate and meet its financial obligations as they fall due. Based on this review and the future business prospects of the Company, the Directors believe the company will be able to meet its liabilities as they fall due.

Having regard to the above and after making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

With effect from 1 April 2021, the health planning and consultancy arm of the business is to be demerged from the Company and will operate as a separate registered business. The benefits expected include developing an independent brand for the consultancy business, improving accountability of the managers of the separate business and greater ability for management to grow the business. In financial year 2019/20, consulting activity accounted for 20% of the revenue for GB Partnerships Limited. One off legal and financial advisory fees of £36,775 have been incurred during financial year 2020/21 due to the demerger. Further advisory fees are expected with total fees expected to be no more than £60,000.

GB Partnerships Limited

Directors' Report (continued) For the Year Ended 31 March 2020

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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; 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 to 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.

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



E Siew
Director

Date: 29 March 2021

GB Partnerships Limited

Independent Auditors' Report to the Members of GB Partnerships Limited

Opinion

We have audited the financial statements of GB Partnerships Limited ("the Company") for the year ended 31 March 2020, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, 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, including Financial Reporting Standard 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 state of the Company's affairs as at 31 March 2020 and of its profit 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. 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 our 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

GB Partnerships Limited

Independent Auditors' Report to the Members of GB Partnerships 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 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; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Respective responsibilities of directors

As explained more fully in the statement of Directors' responsibilities statement, the Director is 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 may determine 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 at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. The description forms part of our auditor's report.

GB Partnerships Limited

Independent Auditors' Report to the Members of GB Partnerships Limited (continued)

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.



Stephen Hale (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Birmingham
United Kingdom

30 March 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

GB Partnerships Limited

Statement of Comprehensive Income For the Year Ended 31 March 2020

	Note	2020 £	2019 £
Turnover	4	5,405,502	4,978,214
Administrative expenses		(5,321,457)	(4,564,346)
Operating profit	5	84,045	413,868
Tax on profit	8	(19,820)	(81,716)
Profit for the financial year		64,225	332,152

There was no other comprehensive income for 2020 (2019 - £Nil).

The notes on pages 10 to 19 form part of these financial statements.

GB Partnerships Limited
Registered number:04299396

Statement of Financial Position
As at 31 March 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	9		158,960		179,420
Investments	10		-		1
			<u>158,960</u>		<u>179,421</u>
Current assets					
Debtors: amounts falling due after more than one year	11	17,082		19,631	
Debtors: amounts falling due within one year	11	1,285,136		1,109,863	
Cash at bank and in hand		484,475		581,946	
		<u>1,786,693</u>		<u>1,711,440</u>	
Creditors: amounts falling due within one year	12	(832,346)		(840,050)	
Net current assets			<u>954,347</u>		<u>871,390</u>
Total assets less current liabilities			<u>1,113,307</u>		<u>1,050,811</u>
Provisions for liabilities					
Deferred tax	13	(8,552)		(10,281)	
			<u>(8,552)</u>		<u>(10,281)</u>
Net assets			<u><u>1,104,755</u></u>		<u><u>1,040,530</u></u>
Capital and reserves					
Called up share capital	14		1		1
Profit and loss account			1,104,754		1,040,529
			<u><u>1,104,755</u></u>		<u><u>1,040,530</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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



E Siew
Director

Date: 29 March 2021

The notes on pages 10 to 19 form part of these financial statements.

GB Partnerships Limited

Statement of Changes in Equity For the Year Ended 31 March 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2019	1	1,040,529	1,040,530
Comprehensive income for the year			
Profit for the year	-	64,225	64,225
Total comprehensive income for the year	-	64,225	64,225
At 31 March 2020	1	1,104,754	1,104,755

Statement of Changes in Equity For the Year Ended 31 March 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2018	1	708,377	708,378
Comprehensive income for the year			
Profit for the year	-	332,152	332,152
Total comprehensive income for the year	-	332,152	332,152
At 31 March 2019	1	1,040,529	1,040,530

The notes on pages 10 to 19 form part of these financial statements.

GB Partnerships Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

1. General information

gbpartnerships is a development company that works across the public sector. In the recent past, it has worked primarily in the health sector in partnership with LIFTCos to support CCGs and GPs to identify gaps in service delivery and provide a forum for all stakeholders to ensure the clients' needs and strategy are met.

In order to achieve this gbpartnerships provides a range of partnering services and staff both locally and centrally. These services include estates management, business performance, property development, health planning, financial and investment support, project management, strategic advice and consultancy services.

The Company employs a dedicated team, which through innovation and partnership working has provided value for money solutions in a very challenging environment.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 Section 1A Small Entities and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 Section 1A Small Entities 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 consistently applied:

2.2 Going concern

Considering the Coronavirus pandemic, the Directors have performed cash flow forecasts covering a period of 12 months from the date of signing the financial statements. These forecasts show that the Company will have sufficient liquidity for the going concern assessment period. Stress tests have been performed on these forecasts which show the Company will have sufficient cashflows generated from long term contracts to operate and meet its financial obligations as they fall due. Based on this review and the future business prospects of the Company, the Directors believe the Company will be able to meet its liabilities as they fall due, and have not identified any material uncertainties relating to going concern.

2.3 Revenue

Revenue in respect of partnering services, pass through income and management fees is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Consideration received is only recognised as revenue to the extent that the Company has performed its contractual obligations in respect of that consideration.

Revenue in respect of consultancy projects is calculated by reference to the stage (or percentage) of completion of the transaction at the end of the reporting period, where the outcome of the rendering of services can be estimated reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

GB Partnerships Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

2. Accounting policies (continued)

2.5 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

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 Statement of Financial Position date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	10% Straight line
Computer equipment and software	-	33% Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

GB Partnerships Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.8 Valuation of investments

Investments in subsidiaries and joint ventures are measured at cost less accumulated impairment.

2.9 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

2.10 Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The Company's cash at bank and in hand and trade and other debtors and its trade and other creditors are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Key sources of estimation uncertainty:

- Recoverability of debtors (Note 11) - At the reporting date, amounts due from associates and trade receivables are assessed for recoverability. If there is any evidence of impairment, the carrying amount of the debtor is reduced to its recoverable amount. The impairment loss is recognised immediately in the income statement.

4. Turnover

All turnover relates to the principal activity of the Company.

All turnover arose within the United Kingdom.

GB Partnerships Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

5. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Fees payable to the company's auditor for the audit of the Company's annual accounts	12,500	7,075
Depreciation of tangible fixed assets	37,118	25,728
Defined contribution pension cost	160,124	130,098
Charges made in respect to provisions made against amounts receivable from subsidiaries, joint ventures and associated undertakings	48,926	-
	<u>48,926</u>	<u>-</u>

6. Employees

The average number of employees in the year, excluding Directors, was 57 (2019 - 57).

7. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	302,480	165,116
Company contributions to defined contribution pension schemes	38,465	10,000
	<u>340,945</u>	<u>175,116</u>

During the year, the Company made contributions to defined contribution pension schemes on behalf of 2 (2019 - 1) Directors.

The disclosures above include the remuneration of the Directors in respect of their services to the Company and its parent company; GB Partnerships Investments Limited.

In 2019 part of the Directors' remuneration was recharged to GB Partnerships Investments Limited and disclosed within that company.

Total remuneration of the Directors, including the amounts borne by GB Partnerships Investments Limited and Hexagon Partnership Limited, was £370,896 (2019 - £417,072), including contributions to defined contribution schemes of £39,891 (2019 - £25,940).

GB Partnerships Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

8. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	25,028	64,811
Adjustments in respect of previous periods	(3,479)	-
	<u>21,549</u>	<u>64,811</u>
Deferred tax		
Origination and reversal of timing differences	(2,939)	16,906
Adjustments in respect of previous periods	-	(1)
Effects of changes in tax rates	1,210	-
Total deferred tax	<u>(1,729)</u>	<u>16,905</u>
Taxation on profit on ordinary activities	<u>19,820</u>	<u>81,716</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>84,045</u>	<u>413,868</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	15,969	78,635
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	12,609	773
Other short term timing differences	1,031	532
Chargeable gains transferred in from parent company	-	87,703
Adjustments to tax charge in respect of prior periods	(3,479)	(1)
Effects of changes in tax rates	1,210	-
Deferred tax on non-trade losses not recognised in the prior year	-	(78,471)
Change in tax rates	-	(7,455)
Group relief claimed	(7,520)	-
Total tax charge for the year	<u>19,820</u>	<u>81,716</u>

GB Partnerships Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

8. Taxation (continued)

Factors that may affect future tax charges

The main rate of corporation tax in force at the Statement of Financial Position date was 19%. A resolution to retain the corporation tax rate from 1 April 2020 at 19% was passed on 17 March 2020, and is enacted from this date. The deferred taxation liability has therefore been calculated at 19%, being the rate substantively enacted at the Statement of Financial Position date.

9. Tangible fixed assets

	Fixtures and fittings £	Computer equipment and software £	Total £
Cost or valuation			
At 1 April 2019	138,981	115,077	254,058
Additions	1,559	15,099	16,658
At 31 March 2020	140,540	130,176	270,716
Depreciation			
At 1 April 2019	1,434	73,204	74,638
Charge for the year	14,323	22,795	37,118
At 31 March 2020	15,757	95,999	111,756
Net book value			
At 31 March 2020	124,783	34,177	158,960
At 31 March 2019	137,547	41,873	179,420

GB Partnerships Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

10. Fixed asset investments

	Joint ventures £
Cost	
At 1 April 2019	1
Disposals	(1)
At 31 March 2020	-

On 2 April 2019 the Company's joint venture, Hampshire LIFT Management Services Limited, was dissolved and the Company's corresponding investment disposed of in full.

11. Debtors

	2020 £	2019 £
Due after more than one year		
Amounts owed by associated undertakings of the parent company	17,082	19,631
Due within one year		
Trade debtors	531,506	674,491
Amounts owed by group undertakings	55,759	-
Amounts owed by joint ventures and associated undertakings of the parent company	476,728	218,254
Other debtors	924	-
Prepayments and accrued income	220,219	217,118
	1,285,136	1,109,863

GB Partnerships Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

12. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	108,461	110,083
Amounts owed to the parent company	-	112,787
Corporation tax	25,028	64,811
Other taxation and social security	399,855	331,554
Other creditors	37,497	25,323
Accruals and deferred income	261,505	195,492
	<u>832,346</u>	<u>840,050</u>

13. Deferred taxation

	2020 £
At beginning of year	(10,281)
Credited to profit or loss	1,729
At end of year	<u>(8,552)</u>

The deferred tax liability is made up as follows:

	2020 £	2019 £
Fixed asset timing differences	(14,878)	(14,758)
Other timing differences	6,326	4,477
	<u>(8,552)</u>	<u>(10,281)</u>

14. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

GB Partnerships Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

15. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge amounted to £160,124 (2019 - £130,098). There was £33,295 (2019 - £26,335) outstanding to this scheme at the year end.

16. Commitments under operating leases

At 31 March 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	36,824	36,824
Later than 1 year and not later than 5 years	147,294	147,294
Later than 5 years	147,294	184,118
	<u>331,412</u>	<u>368,236</u>

17. Related party transactions

GB Partnerships Investments Limited, the entity's parent company, owed £55,759 (2019 - was owed £112,787) to the Company as at 31 March 2020. During the year, the Company recharged costs amounting to £168,546 (2019 - £691,079) to GB Partnerships Investments Limited.

The entity also purchased services of £Nil (2019 - £67,220) from GB Partnerships Investments Limited.

During the year, the Company made sales of £1,261,519 (2019 - £1,063,955) to, and purchases of £Nil (2019 - £14,933) from, companies that are joint ventures, subsidiaries and associated undertakings of the parent company. At the year-end, £493,810 (2019 - £237,885) was owed by these companies to the Company, after £48,926 (2019 - £Nil) of these debts has been provided for during the year, and £Nil (2019 - £1) was owed by the Company to these companies.

GB Partnerships Limited

Notes to the Financial Statements For the Year Ended 31 March 2020

18. Post balance sheet events

The COVID-19 pandemic is unprecedented in its scale and is having significant impact on the UK economy, the full extent of which is unknown at this time. This creates uncertainty in respect of all future business plans, but at the time of writing the Directors do not believe there is any going concern risk to the Company.

The Company receives management fees for the provision of estates management, financial services and business development services to LIFTCOs under long term contracts. Whilst the COVID 19 pandemic has created new challenges, obligations under these contracts have continued to be successfully fulfilled and therefore the level of fees received from this service provision remain unaffected by the COVID 19 pandemic.

The Company also provides project management, strategic advice and consultancy services. Whilst some projects have been delayed from 1st April 2020 due to the COVID 19 pandemic, new projects have also arisen in response to the pandemic which the Company has been well positioned to deliver. Previously delayed projects are also now beginning to move forward.

In response to the COVID 19 pandemic, a policy of working from home wherever possible has been implemented and the Company has continued to operate fully. The Directors have taken additional measures to support staff including but not limited to home working risk assessments. Where home working has not been possible, clear and comprehensive protocols have been issued to ensure compliance with government guidelines and to protect staff.

In April 20 the Company opted to defer VAT payments as permitted by HMRC. This was deemed a prudent response to the high level of uncertainty at the time over the impact COVID 19 could have on business operations.

The Directors have reviewed the future liquidity requirements and have considered the cash flow forecasts of the Company which show the Company is able to operate and meet its financial obligations as they fall due. Based on this review and the future business prospects of the Company, the Directors believe the company will be able to meet its liabilities as they fall due.

Having regard to the above and after making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

With effect from 1 April 2021, the health planning and consultancy arm of the business is to be demerged from the Company and will operate as a separate registered business. The benefits expected include developing an independent brand for the consultancy business, improving accountability of the managers of the separate business and greater ability for management to grow the business. In financial year 2019/20, consulting activity accounted for 20% of the revenue for GB Partnerships Limited. One off legal and financial advisory fees of £36,775 have been incurred during financial year 2020/21 due to the demerger. Further advisory fees are expected with total fees expected to be no more than £60,000.

19. Controlling party

The Company is controlled by GB Partnerships Investments Limited. There are no group financial statements prepared as the group is exempt from preparing group financial statements as it meets the requirements of a small group.

In the opinion of the Directors, Mrs Clare Hughes is the Company's ultimate controlling party.