

**REGISTERED NUMBER: 05901745 (England and Wales)**

**Annual Report  
and  
Financial Statements for the Year Ended 31 March 2021  
for  
EnterpriseManchester Partnership Limited**



**EnterpriseManchester Partnership Limited**

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**EnterpriseManchester Partnership Limited**

**Company Information for the Year Ended 31 March 2021**

**Directors**

K Bennett  
M Bennett  
K J Jarvey  
F A Worrall

**Company Secretary**

P Birch

**Registered Office**

Chancery Exchange  
10 Furnival Street  
London  
EC4A 1AB  
United Kingdom

**Auditor**

Deloitte LLP  
4 Brindleyplace  
Birmingham  
B1 2HZ  
United Kingdom

## **EnterpriseManchester Partnership Limited**

### **Strategic Report for the Year Ended 31 March 2021**

The Directors present their Strategic Report for the Year Ended 31 March 2021.

#### **Principal activity**

EnterpriseManchester Partnership Limited (the Company) was principally engaged in the activity of the provision of refuse collection services to Manchester City Council, this activity ceased in December 2017 and the company is now winding down. There have been no changes in the Company's activities during the year.

#### **Review of business and future developments**

The income statement for the year is set out on page 10 and shows revenue of £nil (2020: £nil) and a result after tax amounting to £nil (2020: a profit of £23,000), all of which arose from discontinued activities.

The Company is not expected to trade in the foreseeable future and will become dormant once current wind down activity subsides.

#### **Key performance indicators**

The Company's principal key performance indicator is profit before tax which is shown in the income statement for the year set out on page 10.

#### **Principal risks and uncertainties**

The Company's risks and other key performance indicators are only reported and managed on a Divisional basis. To gain a further understanding of this business, details of the principal risks and uncertainties and other key performance indicators are contained in the Annual Report and Financial Statements of the intermediate parent undertaking, Amey UK plc ('the Group'), for the year ended 31 December 2020. The Company is a member of the Environmental Services Collections division.

#### **Financial risk management**

A discussion of the objectives and policies employed in managing risk and the Company's use of financial instruments can be found in the Amey UK plc Annual Report and Financial Statements for the year ended 31 December 2020 as the Company is subject to the application of Group-wide policies and practices when assessing financial risk.

The Company does not hold any derivative financial instruments. There is no material financial risk arising on the assets and liabilities held by the Company.

**EnterpriseManchester Partnership Limited**

**Strategic Report for the Year Ended 31 March 2021 (continued)**

**Statement by the Directors in performance of their statutory duties in accordance with s172(1) of the Companies Act 2006**


The Directors consider, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 March 2021 (see also the Corporate Governance statement and a detailed s172(1) statement on the Amey Group's website: [www.amey.co.uk](http://www.amey.co.uk) and the Amey UK plc 2020 group financial statements for more information).

In discharging their duties in relation to s172(1) of the Companies Act 2006, the Directors have paid regard to the following matters:

- (a) the likely consequences of any decision in the long-term, such as strategic planning, Brexit impact and business development opportunities;
- (b) interests of the Group's employees including health and safety, employee involvement and initiatives, diversity, inclusion and gender pay gap issues;
- (c) the need to foster relationships with suppliers, customers and others including supplier evaluation, social values and payment practices;
- (d) to act fairly between members of the Company;
- (e) impact of operations on community and the environment, including carbon management, climate crisis initiatives; and
- (f) reputation for high standards of business conduct including adoption of corporate governance standards, training of Directors and whistleblowing reporting.

As the Company is a wholly owned subsidiary of the Amey group of companies, and ultimately the Ferrovial group of companies, the Company's Directors discharge their duties within policies, procedures and authorisation limits set out on a group-wide basis. Further information on how officers within the Amey Group of companies discharge their duties is included in the Amey UK plc 2020 group financial statements. The Directors of this Company also achieve this through attendance at relevant executive meetings, involvement in executive briefings and training, and through having responsibility for implementation of group-wide initiatives to promote best practice.

Approved by the board on 15 December 2021 and signed on its behalf by:



K J Jarvey  
Director

15 December 2021

## **EnterpriseManchester Partnership Limited**

### **Directors Report for the Year Ended 31 March 2021**

The Directors present their Annual Report with the audited financial statements of the Company for the Year Ended 31 March 2021.

#### **Strategic Report**

Details of future developments, post balance sheet events (if any) and financial risk management can be found in the Strategic Report on pages 2 to 3 and form part of this report by cross reference.

#### **Dividends**

No dividends were paid by the Company during the year (2020 - £nil). The Directors do not recommend the payment of a final dividend.

#### **Energy and Carbon Performance**

The Company has taken exemption from reporting on Energy and Carbon Performance as this information is included in the consolidated group financial statements of Amey UK plc, of which this Company is a member. Full disclosure can be found in the Amey UK plc Annual Report and Financial Statements for 2020.

#### **Business Relationships**

The Directors have had regard to the need to foster the company's business relationships with stakeholders. This is explained further within the S172(1) statement part (c) in the strategic report on page 3.

#### **Directors of the Company**

The Directors, who held office during the year and up to the date of this Report, were as follows:

K Bennett (appointed 1 March 2021)  
M Bennett  
K J Jarvey  
N J Murphy (resigned 6 May 2021)  
F A Worrall  
J S Haluch (resigned 26 February 2021)

#### **Directors' indemnity**

Directors and Officers of the Company benefit from directors' and officers' liability insurance cover provided by the Amey Group in respect of legal actions brought against them for any of the directorships held within the Amey Group. In addition, Directors are indemnified under the Company's articles of association to the extent permitted by law, such indemnities being qualified third party indemnities.

#### **Going concern**

As a consequence of the disposal of the Company's trade in December 2017, the financial statements for the year to 31 March 2021 are prepared on a basis other than going concern. The Directors note that the financial statements for 2021 report no loss for the year; show positive shareholder funds including profits available for distribution; and show positive net current assets (including cash in hand of £205,000). The Company has also received a letter of support from its parent company, Amey UK plc. Given the 2021 financial statements reflect the impact of ceasing to trade, the financial statements have been prepared on a basis other than going concern. This principle applies even where the impact of disposal of the trade is, to all intents and purposes, complete. This basis of preparation has no impact on the value of assets or liabilities on the balance sheet at 31 March 2021 or on the ability of the Company to meet its remaining obligations.

#### **Policy on slavery and human trafficking**

In accordance with the Modern Slavery Act 2015, the Amey Group of which this Company is a member, is committed to ensuring that there is no modern slavery or human trafficking in our supply chains, or in any part of our business, with a zero tolerance for non-compliance. A full statement reflecting that commitment can be found on the Amey website [www.amey.co.uk](http://www.amey.co.uk) and an abridged statement is included in the financial statements of the Company's intermediate parent company, Amey UK plc.

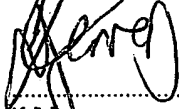
**EnterpriseManchester Partnership Limited**

**Directors Report for the Year Ended 31 March 2021 (continued)**

**Statement as to disclosure of information to the auditor**

So far as the Directors are aware, there is no relevant audit information (as defined by s418 of the Companies Act 2006) of which the Company's auditor is unaware, and each Director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Board on 15 December 2021 and signed on its behalf by:



K J Jarvey  
Director

15 December 2021

**EnterpriseManchester Partnership Limited**

**Statement of Directors' Responsibilities for the Year Ended 31 March 2021**

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements 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 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.



## **EnterpriseManchester Partnership Limited**

### **Independent auditor's report to the members of EnterpriseManchester Partnership Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of EnterpriseManchester Partnership Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework', and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the cash flow statement; and
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

##### **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 Financial Reporting Council's (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.

##### **Emphasis of matter – financial statements prepared other than on a going concern basis**

We draw attention to note 2 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of going concern. Our opinion is not modified in respect of this matter.

##### **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 contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## **EnterpriseManchester Partnership Limited**

### **Income Statement for the Year Ended 31 March 2021**

#### **Responsibilities of Directors**

As explained more fully in the Statement of Directors' Responsibilities, 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Company's industry and its control environment and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation and COVID-19 UK Government relief; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included the Bribery Act, General Data Protection Regulation and health and safety laws and regulations.

We discussed among the audit engagement team including relevant internal specialists such as tax, valuations, pensions, IT, and industry specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house/external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

**EnterpriseManchester Partnership Limited**

**Income Statement for the Year Ended 31 March 2021**

**Report on other legal and regulatory requirements**

**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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the Strategic Report or the Report of the Directors.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

**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.

DocuSigned by:



22AFA05F393B47A  
Peter Gallimore FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Birmingham  
United Kingdom  
15 December 2021

**EnterpriseManchester Partnership Limited**

**Income Statement for the Year Ended 31 March 2021**

	Note	2021 £'000	2020 £'000
Revenue		-	-
Cost of sales		-	27
Gross result/profit		-	27
Operating result/profit		-	27
Interest receivable and similar income	5	-	3
Result/profit before taxation	6	-	30
Tax on result/profit	7	-	(7)
Result/profit for the year		-	23

All activities relate to discontinued operations.

The notes on pages 15 to 24 form part of these financial statements.

**EnterpriseManchester Partnership Limited**

**Statement of Comprehensive Income for the Year Ended 31 March 2021**

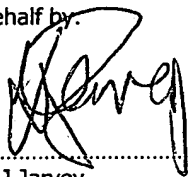
	2021 £'000	2020 £'000
Result/profit for the year	-	23
Total comprehensive result/income for the year	-	23

The notes on pages 15 to 24 form part of these financial statements.

**EnterpriseManchester Partnership Limited****Balance Sheet for the Year Ended 31 March 2021**

	Note	2021 £'000	2020 £'000
Current assets			
Debtors: amounts falling due within one year	8	6,024	6,024
Cash in hand		<u>205</u>	<u>205</u>
		6,229	6,229
Creditors:			
Amounts falling due within one year	9	<u>(6,058)</u>	<u>(6,058)</u>
Net current assets		<u>171</u>	<u>171</u>
Net assets		<u>171</u>	<u>171</u>
Capital and reserves			
Share capital	10	1	1
Retained earnings		<u>170</u>	<u>170</u>
Shareholders' funds		<u>171</u>	<u>171</u>

The financial statements were approved by the Board of Directors on 15 December 2021 and were signed on its behalf by:



K J Jarvey  
Director  
15 December 2021

The notes on pages 15 to 24 form part of these financial statements.

**EnterpriseManchester Partnership Limited****Statement of Changes in Equity for the Year Ended 31 March 2021**

	Share capital £'000	Retained earnings £'000	Total £'000
At 1 April 2019	1	147	148
Profit for the year	-	23	23
Total comprehensive income	-	23	23
At 31 March 2020	1	170	171

	Share capital £'000	Retained earnings £'000	Total £'000
At 1 April 2020	1	170	171
Result for the year	-	-	-
Total comprehensive result	-	-	-
At 31 March 2021	1	170	171

The notes on pages 15 to 24 form part of these financial statements.

**EnterpriseManchester Partnership Limited****Cash Flow Statement for the Year Ended 31 March 2021**

	Note	2021 £'000	2020 £'000
Net cash flow from operating activities	11	-	19
Taxation			
Corporation tax paid		-	(7)
		-	12
Returns on investments and servicing of finance			
Interest received		-	3
		-	3
Increase in cash for the year	12, 13	-	15

The notes on pages 15 to 24 form part of these financial statements.



## **EnterpriseManchester Partnership Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **1 General information**

The principal activity of EnterpriseManchester Partnership Limited (the Company) was the provision of refuse collection services and it operated principally within the UK. The Company is a private company limited by share capital, incorporated and domiciled in the UK and registered in England and Wales.

The Company Secretary and address of the registered office is as follows:

P Birch

Chancery Exchange  
10 Furnival Street  
London  
EC4A 1AB  
United Kingdom

#### **2 Accounting policies**

##### **Basis of preparation**

These financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

On 1 January 2020, the following additional standards which might have had an impact on the financial statements came into force in the United Kingdom:

Conceptual framework	Amendments to references to the conceptual framework in IFRS standards
Amendments to IFRS 3	Definition of business
Amendments to IAS 1 and IAS 8	Definition of material
Amendments to IFRS 4	Extension of temporary exemption in applying IFRS 9

No significant impact on the Company's financial statements has been identified because of these additional standards and amendments.

New standards or interpretations applicable to the Company for accounting periods commencing on or after 31 March 2021 are not expected to have a material impact on the Company.

## **EnterpriseManchester Partnership Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **Summary of disclosure exemptions**

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
  - paragraphs 76 and 79(d) of IAS 40 Investment Property;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- IFRS 2, 'Share based payments';
- IAS 36, 'Impairment of assets' paragraphs 134 and 135;
- IFRS 15, 'Revenue from contracts with customers': second sentence of paragraph 110, and paragraphs 113(a), 114, 115, 118, 119 (a) to (c), 120 to 127 and 129; and
- IFRS 16, 'Leases': paragraph 52, the second sentence of paragraph 89 and paragraphs 90, 91 and 93. Paragraph 58, provided that the disclosure of details of indebtedness required by paragraph 61(c) of Schedule 1 of the Regulations is presented separately for lease liabilities and other liabilities in total.

##### **Going concern**

As a consequence of the disposal of the Company's trade in December 2017, the financial statements for the year to 31 March 2021 are prepared on a basis other than going concern. The Directors note that the financial statements for 2021 report no loss for the year; show positive shareholder funds including profits available for distribution; and show positive net current assets (including cash in hand of £205,000). The Company has also received a letter of support from its parent company, Amey UK plc. Given the 2021 financial statements reflect the impact of ceasing to trade, the financial statements have been prepared on a basis other than going concern. This principle applies even where the impact of disposal of the trade is, to all intents and purposes, complete. This basis of preparation has no impact on the value of assets or liabilities on the balance sheet at 31 March 2021 or on the ability of the Company to meet its remaining obligations.

## **EnterpriseManchester Partnership Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **Other principal accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Trade and other receivables**

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. They are initially recognised at fair value and subsequently measured at amortised cost, less provision for impairment.

##### **Financial instruments**

###### *Recognition and de-recognition*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets are de-recognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is de-recognised when it is extinguished, discharged, cancelled or expires.

###### *Classification and initial measurement of financial assets*

Except for those trade receivables that do not contain a significant financing component, and which are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for applicable transaction costs. Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories: amortised cost; fair value through profit or loss (FVTPL); or fair value through other comprehensive income (FVOCI). The classification is determined by both the Company's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

###### *Subsequent measurement of financial assets*

- (a) *Financial assets at amortised cost* – financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL): they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows and the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest.
- (b) *Financial assets at FVTPL* – financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at FVTPL. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).
- (c) *Financial assets at FVOCI* – the Company financial statements for financial assets at FVOCI if the assets meet the following conditions: they are held under a business model whose objective is 'hold to collect' the associated cash flows and the contractual terms of financial assets give rise to cash flows that are solely payments of principal and interest. Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon de-recognition of the asset.

**EnterpriseManchester Partnership Limited****Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****2 Accounting policies (continued)****Financial instruments (continued)***Impairment of financial assets*

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements include loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at FVTPL. Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead, the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between: Stage 1 - financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk; Stage 2 - financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low; and Stage 3 - financial assets that have objective evidence of impairment at the reporting date. Twelve-month expected credit losses are recognised for the first category while lifetime expected credit losses are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

- (a) *Trade and other receivables* - trade receivables are initially recognised and carried at the lower of their original invoiced value and recoverable amount. Balances are written off when the probability of recovery is remote. The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Company uses historical experience, external indicators and forward-looking information to calculate the expected credit losses. The Company assesses impairment of trade receivables on a collective basis. Where they possess shared credit risk characteristics, they have been grouped based on industry sector global default rates.
- (b) *Intercompany loans receivable* - intercompany advances to other Company companies are all held to maturity, neither parties have an option to call or prepay the loan before the contracted maturity date. Such assets are held under a business model to hold and collect contractual cash flows and therefore meet the 'solely payments of principal and interest' test. No embedded derivatives are currently recognised in these advances, and the amortised cost classification is not impacted. All intercompany advances are assessed for impairment under the ECL model.

*Classification and measurement of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered. An equity instrument is any contract that provides a residual interest in the assets of a business after deducting all other liabilities.

The Company's financial liabilities include borrowings, trade and other payables and derivative financial instruments. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at FVTPL. Subsequently, financial liabilities are measured at amortised cost using the effective interest rate (EIR) method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments). All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs.

**EnterpriseManchester Partnership Limited****Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****2 Accounting policies (continued)****Financial instruments (continued)***Classification and measurement of financial liabilities (continued)*

- (a) *Borrowings* - borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost unless they form part of a fair value hedge relationship. Any difference between the amount initially recognised (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the EIR method. Borrowings being novated or cancelled and re-issued, with a substantial modification of the terms, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability, with any resulting gain or loss recognised in the income statement.
- (b) *Trade and other payables* - trade and other payables are non-interest bearing and are stated at their fair value and subsequently measured at amortised cost using the EIR method.
- (c) *Derivative financial instruments and hedging activities* - derivatives are initially recognised at fair value on the date a derivative contract is entered and are subsequently re-measured at their fair value. Derivative financial instruments are accounted for at FVTPL except for derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment. To qualify for hedge accounting, the hedging relationship must meet the following requirements: there is an economic relationship between the hedged item and the hedging instrument; and the effect of credit risk does not dominate the value changes that result from that economic relationship. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives either as fair value hedges, where they hedge exposure to changes in the fair value of the hedged asset or liability or as cash flow hedges, where they hedge exposure to variability in cash flows that are attributable to a risk associated with any changes in the fair value of the hedged asset, liability or forecasted transaction. The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents, both at hedge inception and on an ongoing basis, its assessment of whether the derivatives used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. The fair value of a derivatives is classified as a non-current asset or liability when the remaining maturity is more than 12 months and as a current asset or liability where it is less than 12 months.
- (d) *Fair value hedge* - all hedging relationships that were hedging relationships under IAS 39 at the 31 March 2017 reporting date meet the IFRS 9's criteria for hedge accounting at 1 April 2018 and are therefore regarded as continuing hedging relationships. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value gains and losses on any underlying hedged items that are part of a fair value hedging relationship. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the EIR method is used is amortised in the income statement over the period to maturity.
- (e) *Cash flow hedge* - the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in OCI. To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in OCI and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss. Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When or if a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

## **EnterpriseManchester Partnership Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **Financial instruments (continued)**

###### *Classification and measurement of financial liabilities (continued)*

- (f) *Derivatives at fair value through profit and loss* - certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of these derivative instruments are recognised immediately in the income statement. When derivatives are designated in a hedge relationship, the net interest payable or receivable on those derivatives is recorded net of the interest on the underlying hedged item in the income statement. When derivatives are not in a hedge relationship, the fair value changes on these derivatives are recognised within fair value gains or losses on financial instruments in the income statement. The interest payable and receivable on those derivatives are recorded at their net amount in finance costs in the income statement.

##### **Current and deferred income tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

##### **Cash in hand**

Cash in hand includes cash and deposits with banks. Bank overdrafts are shown within borrowings in current liabilities.

##### **Creditors**

Obligations to pay for goods and services are recognised initially at fair value and subsequently measured at amortised cost.

#### **3 Critical accounting estimates and judgements**

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's existing accounting policies. In preparing the financial statements for the financial year, the Directors have considered these requirements and concluded that no such estimates or judgements have been necessary.

**EnterpriseManchester Partnership Limited****Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****4 Employees and Directors**

No Directors were remunerated through the Company in either 2021 or 2020.

Details of the remuneration of the other Directors, whose services are of a non-executive nature and who are also directors of the Company's intermediate undertaking, Amey UK plc, or of its fellow group undertakings, Amey LG Limited and Enterprise Managed Services Limited, are disclosed in those company's financial statements. Their remuneration is deemed to be wholly attributable to their services to those companies.

**5 Interest receivable and similar income**

	2021 £'000	2020 £'000
Other interest receivable	-	3

**6 Result/profit before taxation**

The auditor's remuneration is borne by Amey Group Services Limited, a fellow subsidiary undertaking of the Company, and is not recharged. The allocation to the Company of the auditor's fees, which are attributable solely to the audit of these financial statements, is £20,000 (2019 - £13,000).

**7 Taxation****Analysis of tax charge**

	2021 £'000	2020 £'000
Current tax:		
Tax charge - current year	-	6
- adjustment in respect of prior periods	-	1
Total tax charge in the income statement	-	7

**Factors affecting the tax charge**

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £'000	2020 £'000
Result/profit before income tax	-	30
Tax on result/profit calculated at standard rate	-	6
Effects of:		
Increase in tax from adjustments for prior periods	-	1
Tax charge	-	7

On 11 March 2021, Finance Bill 2021 was published which includes provision for the main rate of UK Corporation Tax to increase to 25% from 1 April 2023. As the rate change will be enacted after the balance sheet date, it is a non-adjusting post balance sheet event.

The Company also has an unrecognised deferred tax asset in respect of trading losses of £1,468 (2020 - £1,300). All deferred tax assets have been measured at a rate of 19% (2020 - 17%).

**EnterpriseManchester Partnership Limited****Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****8 Trade and other receivables**

	2021 £'000	2020 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	6,024	6,024
	<u>6,024</u>	<u>6,024</u>

Amounts owed by group undertakings are repayable on demand and bear interest at a market rate of 0.4% (2019 - 0.4%). There is no difference between the book value and the fair value of amounts owed by group undertakings.

**9 Creditors: amounts falling due within one year**

	2021 £'000	2020 £'000
Trade creditors	-	7
Amounts owed to group undertakings	5,269	5,258
Amounts owed to parent undertaking of the Company	772	772
Accruals and deferred income	17	21
Total creditors: amounts falling due within one year	<u>6,058</u>	<u>6,058</u>

Amounts due to fellow group undertakings are payable on demand and bear interest at a market rate of 1.9% (2019 - 1.9%). There is no difference between the book value and the fair value of amounts owed to group undertakings.

**10 Share capital**

Authorised, issued and fully paid ordinary shares of £1 each:	Number	£
'A' Ordinary shares	800	800
'B' Ordinary shares	200	200
At 31 March 2021 and at 31 March 2020	<u>1,000</u>	<u>1,000</u>

**11 Net cash flow from operating activities**

	2021 £'000	2020 £'000
Operating result/profit	-	27
Decrease in debtors	-	9
Increase in creditors	-	(17)
Net cash flow from operating activities	<u>-</u>	<u>19</u>



**EnterpriseManchester Partnership Limited****Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)****12 Reconciliation of net increase in cash**

	2021 £'000	2020 £'000
Increase in cash in hand for the year	-	15
Movement in net cash	-	15
Net cash at start of year	205	190
Net cash at end of year	205	205

**13 Analysis of change in net funds**

	At 1 April 2020 £'000	Cash flow £'000	At 31 March 2021 £'000
Cash at bank and in hand	205	-	205
	205	-	205

**14 Contingent liabilities**

As a member of the Amey UK plc Group of Companies, the Company is a participator in the Group VAT registration and HMRC UK Corporation Tax Group Payment arrangement and is jointly and severally liable with other group companies for the total Group balances outstanding. At 31 March 2021, the only net liability arising across the Amey Group was £51,705,000 (2020 - £21,074,000) in respect of VAT.

Losses, for which no provision has been made in these financial statements, which might arise from litigation in the normal course of business are not expected to be material in the context of these financial statements.

There were no other contingent liabilities at 31 March 2021 or at 31 March 2020.

**15 Financial and capital commitments**

The Company had no financial or capital commitments at 31 March 2021 or at 31 March 2020.

**16 Related party transactions**

The Company is owned 80% by the Amey UK plc group of companies and 20% by Manchester City Council.

The Company did not receive any revenue or incur any charges in respect of services supplied and resources provided by the investing companies (2020: £nil).

The balances owed by Amey UK plc are disclosed within trade receivables and creditors: amounts falling due within one year (notes 8 and 9) under balances with group undertakings.

**EnterpriseManchester Partnership Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)**

**17 Controlling parties**

The immediate parent undertaking is Enterprise Managed Services Limited.

The ultimate parent undertaking, the ultimate controlling party and the largest group to consolidate these financial statements is Ferrovial, S.A., a company incorporated in Spain.

The Company is wholly owned by both the immediate and ultimate parent undertaking.

Copies of the Ferrovial, S.A. consolidated financial statements can be obtained from the Ferrovial, S.A. registered office address as follows:

Ferrovial, S.A.  
Principe de Vergara, 135  
28002 Madrid  
Spain

or from the Ferrovial, S.A. website: [www.ferrovial.com](http://www.ferrovial.com)

The parent of the smallest group in which these financial statements are consolidated is Amey UK plc, incorporated in England and Wales.

Copies of those consolidated financial statements can be obtained from the registered office of Amey UK plc:

The Company Secretary  
Amey UK plc  
Chancery Exchange  
10 Fumival Street  
London EC4A 1AB  
United Kingdom