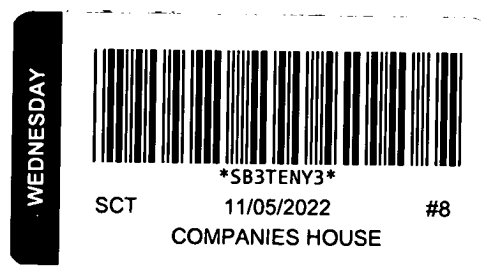


WELLSPRING MANAGEMENT SERVICES LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021



WELLSPRING MANAGEMENT SERVICES LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS

	Page
Company Information	1
Directors' Report	2 - 3
Independent Auditor's Report	4 - 8
Statement of Comprehensive Income	9
Balance Sheet	10
Statement of Changes in Equity	11
Principal Accounting Policies	12 - 14
Notes to the Financial Statements	15 - 18

WELLSPRING MANAGEMENT SERVICES LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2021

Directors	R Dixon J W Dryburgh B Tailor
Company Secretary	C Sheridan
Head Office	2 nd Floor The Lighthouse 11 Mitchell Lane Glasgow G1 3NU
Registered Office	Kent House 14–17 Market Place London W1W 8AJ
Independent Auditor	Azets Audit Services Statutory Auditor Chartered Accountants Titanium 1 King's Inch Place Renfrew PA4 8WF

WELLSPRING MANAGEMENT SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and the audited financial statements for the year ended 31 December 2021. The financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards, including Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

Going concern

The Directors have reviewed the future liquidity requirements and have considered the cash flow forecasts of the Company. The Company produces long-term financial forecasts which show the Company can operate and meet its financial obligations as they fall due, including compliance with all loan agreements. 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.

The directors have also given consideration to the uncertainty faced due to COVID-19. The Company is in receipt of ongoing management fees from Hub West Scotland Limited's project companies under a fixed alignment agreement. Given the nature of the respective projects the impact of Covid-19 is not expected to have a significant impact on the going concern status of these project companies.

As there is therefore not expected to be a threat to the going concern status of the project companies there will be no resultant effect to the going concern status of the Company.

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.

Principal activities

The Company was incorporated on 10 January 2019 to provide outsourced management services. It purchased the managed services business of Community Solutions Partnership Services Limited on 1 May 2019 for a total consideration of £4,000k and 10 December 2019 for a total consideration of £440k. This provided the Company with a portfolio of long-term contracts that expire between 2042 and 2045.

Directors

The directors who served during the year and to the date of this report are shown on page 1. None of the directors had any interest in the shares of the Company during the year ended 31 December 2021.

Directors' indemnities

The Company indemnifies the directors in its Articles of Association to the extent allowed under section 232 of the Companies Act 2006. Furthermore, the directors of Wellspring Management Services Limited have qualifying third party indemnity provisions put in place through other companies of which they are also directors.

WELLSPRING MANAGEMENT SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Independent auditor and disclosure of information to the independent auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- So far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- Each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The auditor, Azets Audit Services, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

Directors' responsibilities statement

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 period. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities). 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 then 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 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 directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

For and on behalf of the Board



B Tailor
Director
6 May 2022

WELLSPRING MANAGEMENT SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLSPRING MANAGEMENT SERVICES LIMITED FOR THE YEAR ENDED 31 DECEMBER 2021

Opinion

We have audited the financial statements of Wellspring Management Services Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Small Entities; 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

WELLSPRING MANAGEMENT SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLSPRING MANAGEMENT SERVICES LIMITED FOR THE YEAR ENDED 31 DECEMBER 2021

Other information (continued)

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.

Opinion 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' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the directors

As explained more fully in the directors' responsibilities statement [set out on page 3], 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.

WELLSPRING MANAGEMENT SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLSPRING MANAGEMENT SERVICES LIMITED FOR THE YEAR ENDED 31 DECEMBER 2021

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 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 is available on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The 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 and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the Company is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the Company that were contrary to applicable laws and regulations, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Company through discussions with directors and other management, and from our commercial knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and taxation, data protection, anti-bribery, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

WELLSPRING MANAGEMENT SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLSPRING MANAGEMENT SERVICES LIMITED FOR THE YEAR ENDED 31 DECEMBER 2021

Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

WELLSPRING MANAGEMENT SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLSPRING MANAGEMENT SERVICES LIMITED FOR THE YEAR ENDED 31 DECEMBER 2021

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, as a body, 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.

Azets Audit Services

James McBride (Senior Statutory Auditor)
for and on behalf of
Azets Audit Services, Statutory Auditor
Chartered Accountants
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Date: 10 May 2022

WELLSPRING MANAGEMENT SERVICES LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

		Year ending 31 December 2021 £000	Year ending 31 December 2020 £000
	Notes		
Revenue		906	804
Cost of sales		(364)	(363)
Gross profit		542	441
Administrative expenses		(142)	(121)
Operating profit		400	320
Interest receivable		-	1
Interest payable	3	(363)	(367)
Loss before tax		37	(46)
Tax credit / (charge)	4	12	(13)
Profit / (loss) for the financial period		49	(59)
Other comprehensive income		-	-
Total comprehensive income for the financial year attributable to owners of the Company		49	(59)

Continuing operations

The results for the current financial period derive from continuing operations.


WELLSPRING MANAGEMENT SERVICES LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2021

	Notes	2021 £000	2020 £000
Non-current assets			
Intangible fixed asset	5	4,119	4,244
		4,119	4,244
Current assets			
Trade and other debtors	6	-	32
Deferred tax	9	-	-
Cash and cash equivalents		343	357
Total current assets		343	389
Current liabilities			
Trade and other payables	7	(309)	(480)
Long term borrowings	8	(63)	(49)
Total current liabilities		(372)	(529)
Net current liabilities		(29)	(140)
Total assets less current liabilities		4,090	4,104
Non-current liabilities			
Long term borrowings	8	(4,184)	(4,247)
Total non-current liabilities		(4,184)	(4,247)
Net liabilities		(94)	(143)
Capital and reserves			
Share capital	10	-	-
Retained earnings		(94)	(143)
Total shareholder's funds		(94)	(143)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A- Small Entities.

The financial statements of Wellspring Management Services Limited (company number 11761026) were approved by the Board and authorised for issue on 6 May 2022. They were signed on its behalf by:

.....  B Taylor, Director

WELLSPRING MANAGEMENT SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

2021

	Share capital £000	Profit and loss account £000	Total £000
At 1 January 2021	-	(143)	(143)
Total comprehensive income	-	49	49
At 31 December 2021	-	(94)	(94)

2020

	Share capital £000	Profit and loss account £000	Total £000
At 1 January 2020	-	(84)	(84)
Total comprehensive income	-	(59)	(59)
At 31 December 2020	-	(143)	(143)

WELLSPRING MANAGEMENT SERVICES LIMITED

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021

General information

Wellspring Management Services Limited (the 'Company') is a private company limited by shares, incorporated and domiciled in the UK under the Companies Act 2006 and registered in England and Wales. The nature of the Company's operations and its principal activities are set out in the Directors' Report on pages 2 to 3. The address of the registered office is given on page 1.

Basis of accounting

The financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards including Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

These financial statements are presented in pounds sterling which is the Company's functional currency and are rounded to the nearest £'000, unless otherwise stated.

Going concern

The Directors have reviewed the future liquidity requirements and have considered the cash flow forecasts of the Company. The Company produces long-term financial forecasts which show the Company can operate and meet its financial obligations as they fall due, including compliance with all loan agreements. 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.

The directors have also given consideration to the uncertainty faced due to COVID-19. The Company is in receipt of ongoing management fees from Hub West Scotland Limited's project companies under a fixed alignment agreement. Given the nature of the respective projects the impact of Covid-19 is not expected to have a significant impact on the going concern status of these project companies.

As there is therefore not expected to be a threat to the going concern status of the project companies there will be no resultant effect to the going concern status of the Company.

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.

Revenue

Revenue is defined as the fair value of the amount receivable for management services and is shown net of VAT and other sales related taxes.

WELLSPRING MANAGEMENT SERVICES LIMITED

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021

Income tax

The income tax expense represents the current and deferred tax charges. Income tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity. Current tax is the expected tax liability on taxable profit for the year using tax rates enacted or substantively enacted at the reporting date.

Taxable profit differs from that reported in the Statement of Comprehensive Income because it is adjusted for items of income or expense that are assessable or deductible in other years and is adjusted for items that are never assessable or deductible.

Deferred tax is recognised using the Balance Sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding tax bases used in tax computations. Deferred tax is not recognised for the initial recognition of assets or liabilities in a transaction that is not a business combination and affects neither accounting nor taxable profits, or differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is recognised on temporary differences which result in an obligation at the Balance Sheet date to pay more tax, or a right to pay less tax, at a future date, at the tax rates expected to apply when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted and are only offset where this is a legally enforceable right to offset current tax assets and liabilities.

Intangible fixed assets

Intangible fixed assets identified on acquisition by the Company that have finite useful lives are recognised at fair value and measured at cost less accumulated amortisation and impairment losses. Amortisation is recognised as a percentage of revenue over the 25-year contract life of the management service agreement. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans and amounts due to related parties are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

WELLSPRING MANAGEMENT SERVICES LIMITED

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021

Financial instruments

Financial assets and financial liabilities are recognised in the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial liabilities and equity

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

Loan arrangement fees

Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument. The capitalised fees are then released to the Statement of Comprehensive Income account on a straight-line basis over the term of the loan.

Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charge as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

WELLSPRING MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Staff numbers and costs

The Company had no employees during the current year (2020: none).

2. Directors' remuneration

The directors did not receive any emoluments in respect of their service in the current year (2020: £nil).

3. Interest payable

	2021	2020
	£000	£000
Interest payable on loan	354	356
Amortisation of arrangement fees	9	11
Interest payable	363	367

4. Tax

	2021	2020
	£000	£000
Corporation tax charge for the year	-	12
Deferred tax charge for the year	-	1
Corporation tax refund in respect of prior years	(12)	-
Total tax (credit) / charge for the year	(12)	13

No tax is due in the year due to group relief. The tax charge paid in the prior year is being reclaimed due to the use of group relief.

5. Intangible fixed asset

	Goodwill £000
Cost	
As at 1 January 2021	4,440
As at 31 December 2021	4,440
Amortisation	
As at 1 January 2021	(196)
Charge for the year	(125)
As at 31 December 2021	(321)
Net book value	
As at 31 December 2021	4,119
<i>As at 31 December 2020</i>	<i>4,244</i>

WELLSPRING MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

6. Trade and other receivables

	2021	2020
	£000	£000
Trade receivables	-	2
Other receivables	-	30
	-	32

7. Trade and other payables

	2021	2020
	£000	£000
Amounts falling due within one year		
Amounts owed to related parties	246	395
Social security and other taxes	30	41
Corporation Tax	-	12
Accruals and deferred income	33	32
	309	480

8. Long term borrowings

	2021	2020
	£000	£000
The loan is repayable as follow:		
Within one year	63	49
	63	49
Amounts falling due after more than one year		
Between one and two years	64	63
Between two and five years	149	152
After more than five years	3,971	4,032
	4,184	4,247

Long term borrowings relate to a Senior Debt Facility provided by GCP Asset Backed Income (UK) Limited which is secured by way of a fixed and floating charge over the assets of the Company.

The amounts drawn under the agreement are repayable on an agreed repayment profile commencing on 31 December 2020 and ending on 31 March 2044. Interest charges on amounts drawn are fixed for the term of the loan at 8%.

Issue costs of the debt have been offset against the senior debt borrowings and will be amortised over the repayment period of the facility.

9. Deferred tax asset

	2021	2020
	£000	£000
Balance at 1 January	-	1
Profit and loss charge (note 4)	-	(1)
Balance at 31 December	-	-

The deferred taxation provided in the financial statements are from the Company's trading losses.

WELLSPRING MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. Called up share capital

	2021 £000	2020 £000
Allotted, called up and fully paid Ordinary Shares of £1 each	1	1

The shares have attached to them full voting, dividend and capital distribution rights.

11. Related party transactions

The directors consider the material transactions undertaken by the Company during the year with related parties were as follows:

Company	Sales 2021 £000	Purchases 2021 £000	Balance at 31 December 2021 £000
Community Solutions Partnership Services Limited	-	8	(213)
Hub West Scotland Project Company (No.1) Limited	159	8	-
Hub West Scotland Project Company (No.2) Limited	49	5	-
Hub West Scotland Project Company (No.3) Limited	120	5	-
Hub West Scotland Project Company (No.4) Limited	120	5	-
Hub West Scotland Project Company (No.5) Limited	169	5	-
Hub West Scotland Project Company (No.6) Limited	111	8	-
Hub West Scotland Project Company (No.7) Limited	178	5	(1)
Wellspring Finance Company Limited	1	272	(32)

WELLSPRING MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

11. Related party transactions (continued)

<i>Company</i>	<i>Sales 2020 £000</i>	<i>Purchases 2020 £000</i>	<i>Balance at 31 December 2020 £000</i>
Community Solutions Partnership Services Limited	-	50	(349)
Hub West Scotland Project Company (No.1) Limited	156	6	-
Hub West Scotland Project Company (No.2) Limited	49	6	-
Hub West Scotland Project Company (No.3) Limited	118	6	-
Hub West Scotland Project Company (No.4) Limited	118	6	-
Hub West Scotland Project Company (No.5) Limited	167	6	-
Hub West Scotland Project Company (No.6) Limited	110	6	2
Hub West Scotland Project Company (No.7) Limited	87	6	-
Wellspring Finance Company Limited	-	293	(17)

Morgan Sindall Investments Limited has joint control of Wellspring Finance Company Limited, the immediate parent company, and the above-mentioned companies, except Community Solutions Partnership Services, which it owns 100%.

All transactions with related parties have taken place at arm's length.

12. Controlling party

The immediate parent company is Wellspring Finance Company Limited. The address of its registered office is Kent House, 14-17 Market Place, London, England, W1W 8AJ.

The directors do not consider that there is an ultimate controlling party.