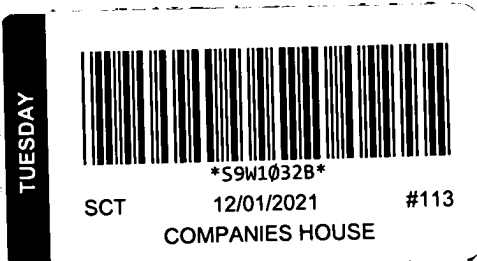


REGISTERED NUMBER: SC422297

WELLSPRING PARTNERSHIP LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019



WELLSPRING PARTNERSHIP LIMITED

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WELLSPRING PARTNERSHIP LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2019

Directors

R S Drew
J W Dryburgh
W A Erlam
D G Lane
A J Titmus

Company Secretary

C Sheridan

Registered Office

C/O Anderson Strathern
1 Rutland Court
Edinburgh
EH3 8EY

WELLSPRING PARTNERSHIP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and the financial statements for the year ended 31 December 2019. 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).

Principal activity

Wellspring Partnership Limited ("the Company") acts as an investment and management company for its eight joint ventures in the West of Scotland.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a minimum of 12 months from the date of signing the accounts. Thus, they continue to adopt the going concern basis in preparing the financial statements. Further details can be found in the principal accounting policies in the financial statements.

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 2019 (2018: nil).

Directors' indemnities

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

The Company has not made qualifying third-party indemnity provisions for the benefit of its directors during the current year and preceding.

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

WELLSPRING PARTNERSHIP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

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.

In preparing this report the directors have taken advantage of the small companies' exemptions provided by Section 415A and of the Companies Act 2006 and have chosen not to prepare a Strategic Report by taking advantage of the small companies' exemptions provided by Section 414B of the Companies Act 2006.

For and on behalf of the Board



**A Titmus
Director**

19 November 2020

WELLSPRING PARTNERSHIP LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £000	2018 £000
Revenue	1	-	30
Cost of sales		-	(30)
Gross profit		-	-
Administrative expenses		1	(2)
Operating profit/ (loss)		1	(2)
Profit/ (loss) before tax		1	(2)
Tax	3	-	-
Profit/ (loss) for the financial period		1	(2)
Other comprehensive income		-	-
Total comprehensive income/ (loss) for the financial year attributable to owners of the Company		1	(2)

Continuing operations

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

WELLSPRING PARTNERSHIP LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2019

	Notes	2019 £000	2018 £000
Non-current assets			
Investments	4	-	-
		-	-
Current assets			
Trade and other receivables	5	5	-
Cash and cash equivalents		15	22
Total current assets		20	22
Current liabilities			
Trade and other payables	6	(34)	(37)
Net current liabilities		(14)	(15)
Total assets less current liabilities		(14)	(15)
Net liabilities		(14)	(15)
Capital and reserves			
Share capital	7	-	-
Retained earnings		(14)	(15)
Total shareholder's deficit		(14)	(15)

For the year ending 31 December 2019 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements of Wellspring Partnership Limited (company number SC422297) were approved by the Board and authorised for issue on 19 November 2020. They were signed on its behalf by:



..... A Titmus, Director

WELLSPRING PARTNERSHIP LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Share capital	Retained earnings	Total
	£000	£000	£000
At 1 January 2018	-	(13)	(13)
Total comprehensive loss	-	(2)	(2)
At 1 January 2019	-	(15)	(15)
Total comprehensive income	-	1	1
At 31 December 2019	-	(14)	(14)

WELLSPRING PARTNERSHIP LIMITED

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2019

General information

Wellspring Partnership Limited (the "Company") is incorporated in Scotland. 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 under the historical cost convention unless otherwise specified within these accounting policies and in accordance with applicable law and United Kingdom Accounting Standards including Section 1A of the 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 functional currency is pounds sterling and rounded to the nearest £'000, unless otherwise stated.

Adoption of new and revised standards

During the year the Company did not adopt or revise any standards.

Going concern

The directors have reviewed the future liquidity requirements and have considered the cash flow forecasts of the Company. Based on this review, the directors believe the Company will be able to meet its liabilities as they fall due.

Therefore, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a minimum of 12 months from the date of signing the accounts. Thus, they continue to adopt the going concern basis in preparing the financial statements.

Revenue

Revenue is defined as the value of goods and services rendered excluding discounts and VAT and is recognised through an internal assessment of work carried out based on time incurred and materials utilised or percentage of completion depending upon the nature of the services.

Investments

Fixed asset investments are recorded at cost less amounts written off or provided to reflect impairment losses.

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

WELLSPRING PARTNERSHIP LIMITED

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2019

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.

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.

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.

Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements requires the Company's management to make judgements, assumptions and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Company did not have any critical judgements or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

WELLSPRING PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. Analysis of revenue and profit on ordinary activities before taxation

The revenue and profit on ordinary activities before taxation relates to the Company providing outsourced management services in the UK.

2. Directors' remuneration

The directors did not receive any remuneration from the Company for their services to the Company during the current and preceding year. The directors are remunerated by the shareholding companies for their services to the Company.

3. Tax

No corporation tax arose in the period.

4. Investments

	2019	2018
	£	£
Cost and net book value		
At 1 January and 31 December	318	318

The details of the Company's investments are shown below. The country of incorporation and principal place of business is the UK and the address of the registered office of each entity is 20 Bell Street, Glasgow, G1 1LG unless otherwise indicated. The following are direct holdings:

Name of company	Nature of business	Group Interest %
Hub West Scotland Limited	Property development company	60%
Hub West Scotland Holdco (No.1) Limited ('HWH1')	Holding company	60%
Hub West Scotland Holdco (No.2) Limited ('HWH2')	Holding company	60%
Hub West Scotland Holdco (No.3) Limited ('HWH3')	Holding company	60%
Hub West Scotland Holdco (No.4) Limited ('HWH4')	Holding company	60%
Hub West Scotland Holdco (No.5) Limited ('HWH5')	Holding company	60%
Hub West Scotland Holdco (No.6) Limited ('HWH6')	Holding company	60%
Hub West Scotland Holdco (No.7) Limited ('HWH7')	Holding company	60%

The following are indirect undertakings of the Company:

Name of company	Nature of business	Group Interest %
Hub West Scotland Project Company (No.1) Limited ('HWP1')	Design, build, finance and maintain health centres	60%
Hub West Scotland Project Company (No.2) Limited ('HWP2')	Design, build, finance and maintain an in-patient care facility	60%
Hub West Scotland Project Company (No.3) Limited ('HWP3')	Design, build, finance and maintain secondary school	60%

WELLSPRING PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Hub West Scotland Project Company (No.4) Limited ('HWP4')	Design, build, finance and maintain a secondary school	60%
Hub West Scotland Project Company (No.5) Limited ('HWP5')	Design, build, finance and maintain health and social care hubs	60%
Hub West Scotland Project Company (No.6) Limited ('HWP6')	Design, build, finance and maintain a secondary school	60%
Hub West Scotland Project Company (No.7) Limited ('HWP7')	Design, build, finance and maintain health centres	60%

5. Trade and other receivables

	2019 £000	2018 £000
Amounts falling due within one year		
Prepayments and accrued income	5	-
	5	-

6. Trade and other payables

	2019 £000	2018 £000
Amounts falling due within one year		
Amounts owed to related parties	34	34
Accruals and deferred income	-	3
	34	37

7. Share capital

	2019 £	2018 £
80 A Ordinary shares of £1	80	80
10 B Ordinary shares of £1	10	10
10 C Ordinary shares of £1	10	10
	100	100

'A', 'B' and 'C' shares constitute different classes of shares but confer the same rights upon the holders thereof and rank pari passu in all respects.

8. Ultimate parent company and controlling party

At 31 December 2019 the Company was jointly owned by Morgan Sindall Investments Limited, Apollo (Hub West) Limited and Community Solutions Management Services (Hub) Limited. All companies are registered in England and Wales except where stated otherwise.

The directors are of the opinion that there is no ultimate parent undertaking or controlling party by virtue of the Company's joint ownership and control.

9. Related party transactions

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

WELLSPRING PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Name of Limited company related party		Transaction amount 2019 £000	Transaction amount 2018 £000	Balance at 31 December 2019 £000	Balance at 31 December 2018 £000
Hub West Scotland Limited	[1]	-	30	-	-
Morgan Sindall Investments Limited	[2]	-	(30)	(25)	(25)
Community Solutions Partnership Services Limited	[3]	-	-	(4)	(4)
Apollo Capital Projects Development Limited	[4]	-	-	(5)	(5)
Total		-	-	(34)	(34)

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

[1] Hub West Scotland Limited

Hub West Scotland Limited is a 60% joint venture owned by Wellspring Partnership Limited.

[2] Morgan Sindall Investments Limited

Morgan Sindall Investments Limited has joint control of Wellspring Partnership Limited and owns 80%.

[3] Community Solutions Partnership Services Limited

Community Solutions Partnership Services Limited is a 100% owned subsidiary of Morgan Sindall Investments Limited, the 80% shareholder in Wellspring Partnership Limited.

[4] Apollo Capital Projects Development Limited

Apollo Capital Projects Development Limited owns 50% of Apollo (Hub West) Limited who owns 10% of Wellspring Partnership Limited.