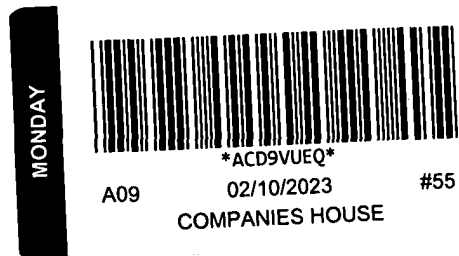


**COMMUNITY SOLUTIONS (HUB WEST SCOTLAND) LIMITED (FORMERLY
WELLSPRING PARTNERSHIP LIMITED)**

**ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**



**COMMUNITY SOLUTIONS (HUB WEST SCOTLAND) LIMITED
(FORMERLY WELLSRING PARTNERSHIP LIMITED)**

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COMMUNITY SOLUTIONS (HUB WEST SCOTLAND) LIMITED (FORMERLY WELLSRING PARTNERSHIP LIMITED)

COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2022

Directors

J W Dryburgh (Resigned 20 June 2023)
R J Dixon
B Tailor
P Partridge (Appointed 20 June 2023)

Company Secretary

C Sheridan

Registered Office

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

COMMUNITY SOLUTIONS (HUB WEST SCOTLAND) LIMITED (FORMERLY WELLSPRING PARTNERSHIP LIMITED)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and the unaudited financial statements for the year ended 31 December 2022. The financial statements have been prepared under United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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

During 2022, Community Solutions (Hub West Scotland) Limited (formerly Wellspring Partnership Limited) ("the Company") acted as an investment and management company for its eight joint ventures in the West of Scotland.

Going concern

The Company has net assets of £1,000 (2021: £20,000 net liabilities) and net current assets of £1,000 (2021: £20,000 net current liabilities) including cash of £9,000 (2021: £8,000). The directors consider the Company will be in a net asset position in the future.

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.

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 2022 (2021: 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 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.

Post balance sheet events

On 20 June 2023, Community Solutions (Hub West Scotland) Limited, previously Wellspring Partnership Limited, sold its investment of 60% in the following companies for £1.5m:

Hub West Scotland (Holdco 1) Limited
Hub West Scotland (Holdco 2) Limited
Hub West Scotland (Holdco 3) Limited
Hub West Scotland (Holdco 4) Limited
Hub West Scotland (Holdco 5) Limited
Hub West Scotland (Holdco 6) Limited
Hub West Scotland (Holdco 7) Limited

As a result, the Company also sold its indirect investment in the following companies:

COMMUNITY SOLUTIONS (HUB WEST SCOTLAND) LIMITED (FORMERLY WELLSPRING PARTNERSHIP LIMITED)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Hub West Scotland Project Company (No 1) Limited
Hub West Scotland Project Company (No 2) Limited
Hub West Scotland Project Company (No 3) Limited
Hub West Scotland Project Company (No 4) Limited
Hub West Scotland Project Company (No 5) Limited
Hub West Scotland Project Company (No 6) Limited
Hub West Scotland Project Company (No 7) Limited

The sale of these investments resulted in an overall profit on disposal of £1.4m.

On the same day, Apollo (Hub West) Limited transferred its shares in the Company to Morgan Sindall Investments Limited at nominal value.

Directors' responsibilities statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The directors confirm that they have complied with the above requirements in preparing the financial statements. 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;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

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

R Dixon
Director



7 September 2023 *

COMMUNITY SOLUTIONS (HUB WEST SCOTLAND) LIMITED
(FORMERLY WELLSRING PARTNERSHIP LIMITED)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £000	2021 £000
Administrative expenses		26	(18)
Operating profit/(loss)	1	26	(18)
Dividends receivable		-	11
Profit/(loss) for the financial year attributable to owners of the Company		26	(7)
Tax	2	(5)	3
Profit/(loss) for the financial period		21	(4)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the financial year attributable to owners of the Company		21	(4)

Continuing operations

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

COMMUNITY SOLUTIONS (HUB WEST SCOTLAND) LIMITED
(FORMERLY WELLSRING PARTNERSHIP LIMITED)

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Notes	2022 £000	2021 £000
Non-current assets			
Investments	3	-	-
Current assets			
Trade and other receivables	4	-	3
Cash and cash equivalents		9	8
Total current assets		9	11
Current liabilities			
Trade and other payables	5	(8)	(31)
Net current assets/(liabilities)		1	(20)
Total assets less current liabilities		1	(20)
Net assets/(liabilities)		1	(20)
Capital and reserves			
Share capital	6	-	-
Retained earnings		1	(20)
Total shareholder's funds/(deficit)		1	(20)

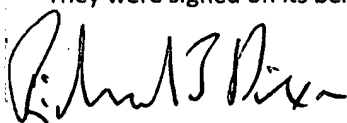
For the year ending 31 December 2022 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 the Company were approved by the Board and authorised for issue on 7 September 2023
They were signed on its behalf by:



..... R Dixon, Director

WELLSPRING PARTNERSHIP LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Retained earnings	Total
	£000	£000	£000
At 1 January 2021	-	(16)	(16)
Total comprehensive loss	-	(4)	(4)
At 31 December 2021	-	(20)	(20)
Total comprehensive profit/(loss)	-	21	21
At 31 December 2022	-	1	1

COMMUNITY SOLUTIONS (HUB WEST SCOTLAND) LIMITED (FORMERLY WELLSRING PARTNERSHIP LIMITED)

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

General information

Community Solutions (Hub West Scotland) 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 page 2. 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 Company has net assets of £1,000 (2021: £20,000 net liabilities) and net current assets of £1,000 (2021: £20,000 net current liabilities) including cash of £9,000 (2021: £8,000). The directors consider the Company will be in a net asset position in the future.

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.

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 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.

COMMUNITY SOLUTIONS (HUB WEST SCOTLAND) LIMITED (FORMERLY WELLSRING PARTNERSHIP LIMITED)

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2022

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.

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.

COMMUNITY SOLUTIONS (HUB WEST SCOTLAND) LIMITED (FORMERLY WELLSRING PARTNERSHIP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Operating profit/(loss)

Operating profit includes fees for external consultancy.

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.

2. Tax

	2022 £000	2021 £000
UK corporation tax on (profit)/loss for the year	(5)	3

Corporation tax is calculated at 19.00% (2020: 19.00 %) of the estimable taxable profit for the year. The actual tax charge for the current and preceding year differs from the standard rate for the reasons set out in the following reconciliation:

	2022 £000	2021 £000
Profit/(loss) before tax	26	(7)
Tax on (profit)/loss at corporation tax rate	(5)	1
<i>Factors affecting the charge for the year</i>		
Dividend income for which no tax liability is due	-	2
Total tax (charge)/credit	(5)	3

During 2021 it was announced that the UK statutory tax rate will increase from 19% to 25% from 1 April 2023. Consequently, the applicable tax rate for the Company (taking into account its December year-end) is expected to be 23.5% in 2023, and 25% in 2024 (and beyond) at the reporting date.

3. Investments

	2022 £	2021 £
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 The Lighthouse, 2nd Floor, 11 Mitchell Lane, Glasgow G1 3NU 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*	Holding company	60%
Hub West Scotland Holdco (No.2) Limited*	Holding company	60%
Hub West Scotland Holdco (No.3) Limited*	Holding company	60%
Hub West Scotland Holdco (No.4) Limited*	Holding company	60%
Hub West Scotland Holdco (No.5) Limited*	Holding company	60%

COMMUNITY SOLUTIONS (HUB WEST SCOTLAND) LIMITED (FORMERLY WELLSPRING PARTNERSHIP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3. Investments (continued)

Name of company	Nature of business	Group Interest %
Hub West Scotland Holdco (No.6) Limited*	Holding company	60%
Hub West Scotland Holdco (No.7) Limited*	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	Design, build, finance and maintain health centres	60%
Hub West Scotland Project Company (No.2) Limited	Design, build, finance and maintain an in-patient care facility	60%
Hub West Scotland Project Company (No.3) Limited	Design, build, finance and maintain a secondary school	60%
Hub West Scotland Project Company (No.4) Limited	Design, build, finance and maintain a secondary school	60%
Hub West Scotland Project Company (No.5) Limited	Design, build, finance and maintain health and social care hubs	60%
Hub West Scotland Project Company (No.6) Limited	Design, build, finance and maintain health and social care hubs	60%
Hub West Scotland Project Company (No.7) Limited	Design, build, finance and maintain health centres	60%

*On 20 June 2023, the Company sold its investments in these companies and as a result, also its investment in its indirect undertakings.

4. Trade and other receivables

	2022 £000	2021 £000
Amounts falling due within one year		
Corporation tax	-	3
	-	3

5. Trade and other payables

	2022 £000	2021 £000
Amounts falling due within one year		
Amounts owed to related parties	5	30
Corporation tax	2	-
Accruals	1	1
	8	31

COMMUNITY SOLUTIONS (HUB WEST SCOTLAND) LIMITED (FORMERLY WELLSRING PARTNERSHIP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

6. Share capital

	2022	2021
	£	£
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.

On 20 June 2023, Apollo (Hub West) Limited transferred its C Ordinary shareholding in the Company to Morgan Sindall Investments Limited.

7. Ultimate parent company and controlling party

At 31 December 2022 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.

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.

On 20 June 2023, Apollo (Hub West) Limited transferred its shares in the Company to Morgan Sindall Investments Limited, resulting in Morgan Sindall Investments Limited becoming the ultimate parent undertaking.

8. Related party transactions

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

Name of limited company related party		Transaction amount 2022 £000	Transaction amount 2021 £000	Balance at 31 December 2022 £000	Balance at 31 December 2021 £000
Morgan Sindall Investments Limited	[1]	25	-	-	(25)
Apollo (Hub West) Limited	[2]	-	-	(5)	(5)
Total		-	-	(5)	(30)

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

[1] Morgan Sindall Investments Limited

Morgan Sindall Investments Limited has joint control of the Company and owned 80% as at the balance sheet date.

[2] Apollo (Hub West) Limited

Apollo (Hub Investment) Holdings Limited owns 100% of Apollo (Hub West) Limited, which owned 10% of the Company as at the balance sheet date.

COMMUNITY SOLUTIONS (HUB WEST SCOTLAND) LIMITED (FORMERLY WELLSPRING PARTNERSHIP LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

9. Subsequent events

On 20 June 2023, the Company sold its investment of 60% in the following companies for £1.5m:

Hub West Scotland (Holdco 1) Limited
Hub West Scotland (Holdco 2) Limited
Hub West Scotland (Holdco 3) Limited
Hub West Scotland (Holdco 4) Limited
Hub West Scotland (Holdco 5) Limited
Hub West Scotland (Holdco 6) Limited
Hub West Scotland (Holdco 7) Limited

As a result, the Company also sold its indirect investment in the following companies:

Hub West Scotland Project Company (No 1) Limited
Hub West Scotland Project Company (No 2) Limited
Hub West Scotland Project Company (No 3) Limited
Hub West Scotland Project Company (No 4) Limited
Hub West Scotland Project Company (No 5) Limited
Hub West Scotland Project Company (No 6) Limited
Hub West Scotland Project Company (No 7) Limited

The sale of these investments resulted in an overall profit on disposal of £1.4m.

On the same day, Apollo (Hub West) Limited transferred its shares in the Company to Morgan Sindall Investments Limited at nominal value.

There have been no other significant subsequent events which have impacted the results reported in these financial statements.