

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

REGISTERED NUMBER: 609746



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CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

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CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Statutory Information

Directors

D A Stewart (appointed 2 October 2018)
M A Blyth (appointed 2 October 2018)

Secretary

H S Kidd (appointed 2 October 2018)

Independent Auditor

KPMG LLP
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

Registered Office

1 George Street
Edinburgh
EH2 2LL

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Directors' Report

The Directors submit their audited annual report and Financial Statements of Clyde Gateway Management Company Limited ("the Company"), registered number SC609746, for the period 2 October 2018 to 31 December 2019.

Incorporation

The Company was incorporated on 2 October 2018 and is a private company limited by shares, incorporated, registered and domiciled in the United Kingdom.

Principal activities

The Company's business is the management of the common parts on behalf of the co-proprietors and other Phoenix Group Holdings plc ("the Group") companies at Clyde Gateway Industrial Park, Glasgow.

Business review

The Company made neither a profit nor loss for the period ended 31 December 2019. The Directors do not recommend the payment of a dividend for the year.

Given the uncomplicated nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

The principal risks to which the Company is most specifically exposed are credit risk, liquidity risk and operational risk. From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Group's annual report and financial statements which does not form part of this report. The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern.

Independent Auditor

KPMG LLP were appointed as auditors for the year ended 31 December 2019 and subsequent years.

Future outlook

The co-proprietors require the Company to manage the common areas and have no plans to change its activities. As such the Company will continue its operations for the foreseeable future.

Financial risk management

The Company manages its various financial risks as outlined in note 6 of the Financial Statements.

Creditor payment policy

It is the Company's policy to pay creditors when they fall due for payment. Terms of payments are agreed with suppliers when negotiating each transaction and the policy is to abide by those terms, provided that the suppliers also comply with all relevant terms and conditions. The average duration of amounts owing to suppliers for Standard Life Aberdeen plc is disclosed within the financial statements of Standard Life Aberdeen plc.

Directors

The names of the current Directors are shown on page 1, the Directors are not subject to retirement by rotation.

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Directors' Report (continued)

Employees

The company has no employees.

Going concern

The Financial Statements have been prepared on a going concern basis as the Directors expect that the Company will continue in business for at least 12 months from the date of signing these Financial Statements.

Statement on disclosure of information to the auditor

So far as each Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the auditor are unaware. Having made enquiries of the Company's auditor, each of the Directors has taken all the steps that ought to have been taken as a Director in order to make them aware of any relevant audit information and to establish that the auditor are aware of that information.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) and applicable law.

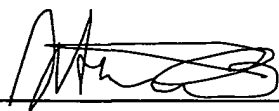
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether applicable IFRS issued by the IASB as adopted by the EU;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Approved by the Board of Directors and signed on its behalf by:

David Stewart
Director



01/10/2020
Date

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Independent auditor's report to the members of Clyde Gateway Management Company

Opinion

We have audited the Financial Statements of Clyde Gateway Management Company Limited ("the Company") for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement Cash Flow and related notes, including the accounting policies in note 2.

In our opinion the Financial Statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the Financial Statements on the going concern basis as they do not intend to liquidate the Company or to cease their operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the Financial Statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the Financial Statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

The Directors are responsible for the Directors' Report. Our opinion on the Financial Statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the Financial Statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in that report;
- in our opinion the information given in that report for the financial year is consistent with the Financial Statements; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Independent auditor's report to the members of Cyde Gateway Management Company Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

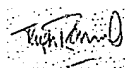
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 the Financial Statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



2 October 2020

Hugh Harvie (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Saltire Court
20 Castle Terrace
Edinburgh
United Kingdom
EH1 2EG

Date

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Statement of Comprehensive Income for the period 2 October 2018 to 31 December 2019

	Note	2019 £
Revenue		
Turnover	3	171,487
Expenses		
Cost of sales		(171,530)
Loss before interest		<u>(43)</u>
Bank interest		43
Total comprehensive result for the year		<u><u>-</u></u>

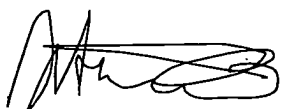
The notes on pages 10 to 14 form an integral part of these Financial Statements

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Statement of Financial Position as at 31 December 2019

	Note	2019 £
ASSETS		
Current assets		
Receivables and other financial assets	7	174,768
Cash and cash equivalents	9	<u>193</u>
Total assets		<u><u>174,961</u></u>
EQUITY		
Share capital	10	1
Retained earnings		<u>-</u>
Total equity		<u>1</u>
LIABILITIES		
Current liabilities		
Other financial liabilities	8	174,960
Total equity and liabilities		<u><u>174,961</u></u>

Approved by the Board of Directors and signed on its behalf by:



David Stewart
Director

01/10/2020

Date

The notes on pages 10 to 14 form an integral part of these Financial Statements

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Statement of Changes in Equity for the period 2 October 2018 to 31 December 2019

	Retained earnings £	Share capital £	Total equity £
Opening balance as at 2 October 2018	-	-	-
New share capital	-	1	1
Closing balance as at 31 December 2019	<u>-</u>	<u>1</u>	<u>1</u>

The notes on pages 10 to 14 form an integral part of these Financial Statements

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Statement of Cash Flows

for the period 2 October 2018 to 31 December 2019

	Note	2019 £
Cash flows from operating activities		
Result for the year		-
Net change in receivables and other financial assets		(174,811)
Net change in other financial liabilities		174,961
Net cash generated from operating activities		<u>150</u>
Cash flows from investing activities		
Interest received		43
Net increase in cash and cash equivalents in the year		<u>193</u>
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents at the end of the year	9	<u><u>193</u></u>

The notes on pages 10 to 14 form an integral part of these Financial Statements

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements

1 GENERAL INFORMATION

Clyde Gateway Management Company Limited ("the Company") carries on the business of managing the common areas of Clyde Gateway East Industrial Estate in Glasgow.

These audited Financial Statements have been approved for issue by the Board of Directors on 28 September 2020.

2 ACCOUNTING POLICIES

Basis of preparation

The Company's Financial Statements have been prepared on a going concern basis, under the historic cost convention and in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") as adopted by the European Union ("EU"), with interpretations issued by the International Financial Reporting Standards Interpretations Committee and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The presentational currency of the Company is Pound Sterling, all values within the Annual Report and Financial Statements are rounded to the nearest whole pound.

The principal accounting policies set out below have been consistently applied to all financial reporting periods presented in these Financial Statements unless otherwise stated.

Going Concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its immediate parent company, Standard Life Assurance Limited, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Standard Life Assurance Limited providing additional financial support during that period. Standard Life Assurance Limited has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Critical accounting estimates and judgement in applying accounting policies

The preparation of financial statements, in conformity with IFRS, requires management to make estimates and exercise judgements in applying the accounting policies that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses arising during the year. The Directors have determined that there are no significant judgements.

New and amended standards and interpretations adopted by the Company

A number of new standards were effective from 1 January 2018 but they had no impact on the Company's Financial Statements.

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements

2 ACCOUNTING POLICIES (CONTINUED)

Early adoption of standards

The Company early adopted IFRS 16 from 1 January 2018. There was no impact on the Financial Statements of the Company as a result of adopting this standard. A number of other new standards were also effective from 1 January 2019 but they had no effect on the Company's Financial Statements.

Revenue recognition

Revenue is recognised as follows:

Service charge from third parties and group companies in relation to the common parts at Clyde Gateway East Industrial Estate is recognised on an accruals basis.

Expense recognition

Expenditure incurred by the Company is recognised in the month to which it relates. Expenses relating to a month that have not been invoiced are accrued, while invoices received for expenses relating to future months are prepaid.

Tax

Clyde Gateway Management Company Limited is not within the charge to corporation tax under the mutual trading rules and therefore no taxation is payable nor receivable.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, any highly liquid investments which have a maturity date within three months of the date of acquisition and bank overdrafts that are repayable on demand and form an integral part of the Company's cash management. Cash and cash equivalents are carried at amortised cost.

3 TURNOVER

	2019
	£
Service charge income	<u><u>171,487</u></u>

4 AUDITOR'S REMUNERATION

Auditor's remuneration of £4,820 in respect of the audit of the Company's Financial Statements for the 15 month period ended 31 December 2019 is paid by Standard Life Assurance Limited.

5 DIRECTORS' REMUNERATION

No amounts are payable to the Directors in respect of their services to the Company.

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements

6 FINANCIAL RISK MANAGEMENT

(a) Company overview

The Company's business is to manage the common areas of Clyde Gateway East Industrial Estate in Glasgow. The Company is exposed to various financial risks: credit risk, liquidity risk, operational risk and fair value risk. All of the Company's assets and liabilities are denominated in Sterling, and the Company has no significant exposure to interest rate risk. Strategic and group risks are managed by the Group on behalf of the Company.

The financial risks relate to the financial assets and liabilities set out by category in the following table:

	Other financial assets and liabilities at amortised cost
31 December 2019	£
Financial assets	
Receivables and other financial assets	174,768
Cash and cash equivalents	193
Financial liabilities	
Other financial liabilities	174,960

(b) Credit risk

Credit risk is the risk that a counterparty will be unable to meet a commitment that it has entered into with the Company. The Company finances its operations principally through working capital. No speculative transactions are undertaken and, during the financial period, no derivative contracts were transacted. Financial assets include assets of a financial nature, namely cash and cash equivalents.

The Company holds cash and cash equivalents amounting to £193, see note 9. There are no financial assets that are past due or impaired.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in realising assets or otherwise raising funds to meet its financial obligations. The Company seeks to manage financial risk to ensure sufficient liquidity is available to meet foreseeable needs. Any shortfall in cash will be temporarily funded by its parent until the service charge accounts have been audited and balancing charges issued to tenants to recover any shortfall.

A summary table with the maturities of financial assets and liabilities is presented below.

	2019 £
Financial assets - maturity within one year	
Receivables and other financial assets	174,768
Cash and cash equivalents	193
	<u>174,961</u>
Financial liabilities - maturity within one year	
Other financial liabilities	<u>174,960</u>

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements

6 FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Operational risk

Operational risk is the risk of loss, or adverse consequences for the Company's business, resulting from inadequate or failed internal processes, people or systems, or from external events.

The assessment of operational risk exposure is performed on an ongoing basis taking into account a combination of impact and likelihood on the Company's performance. The management team review on a regular basis the competitors, changes in legislation, security policy and changes in technological landscape. Appropriate action is taken to ensure exposure is limited based on specific events or actions.

7 RECEIVABLES AND OTHER FINANCIAL ASSETS

	2019 £
Service charge debtors	145,622
VAT	23,106
Accrued income	6,038
Other assets	1
	<u>174,768</u>

All receivables are expected to be settled within 12 months. The carrying amounts disclosed above are a reasonable approximation of the fair values at the year end. No interest is applied to other financial assets.

8 OTHER FINANCIAL LIABILITIES

	2019 £
VAT	19,123
Accruals and prepaid income	155,837
	<u>174,960</u>

All other financial liabilities are expected to be settled within 12 months. The carrying amounts disclosed above are a reasonable approximation of the fair values at the year end. No interest is applied to other financial liabilities.

9 CASH AND CASH EQUIVALENTS

	2019 £
Cash held at bank	<u>193</u>

Interest at a variable rate is applied to cash and cash equivalents. The average variable rate for the period 2 October 2018 to 31 December 2019 was 0.4%.

10 SHARE CAPITAL

Issued share capital:	2019 £
100 Ordinary shares @ 1p each	<u>1</u>

CLYDE GATEWAY MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements

11 RELATED PARTY DISCLOSURES

Standard Life Assurance Limited will cover the auditors' remuneration of £4,820 in respect of the Company audit of Clyde Gateway Management Company Limited.

12 CONTROLLING PARTY

The subsidiary is a subsidiary of Phoenix Group Holdings Plc . The smallest group in which these Financial Statements are consolidated is Standard Life Assurance Limited, registered office address Standard Life House, 30 Lothian Road, Edinburgh, EH1 2DH. Copies of the financial statements of the ultimate controlling party, in which these Financial Statements are consolidated can be obtained at the registered office of Phoenix Group Holdings plc at Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU.

13 COMMITMENTS AND CONTINGENT LIABILITIES

At 31 December 2019 the Company had no outstanding commitments or contingent liabilities.

16 POST BALANCE SHEET EVENT

Coronavirus - COVID 19

The outbreak of the novel coronavirus COVID-19 is the most acute challenge that the world has faced in many years. Since it first appeared in China's Hubei province in late 2019, the virus has spread across many countries around the world. The outbreak has had a considerable impact on economic activity, including severe disruption to many global supply chains. Many governments have taken significant steps to stem the spread of the virus, with significant restriction on movement in a number of countries.

In addition, with the threat of a global recession looming large, governments and central banks have adopted a range of fiscal and monetary stimulus packages to counter the economic effects of the virus. With the situation changing so rapidly, it is very difficult to predict how the virus will affect asset prices and the global economy over the longer term. As yet, it is unclear as to whether the outcome will be a short-term slowdown in growth, or a prolonged global recession. What does seem likely, however, is that volatility will prevail over the months to come.

The Directors do not foresee this having a material impact on the Company and on that basis the financial statements have been prepared on a going concern basis.