

REGISTERED NUMBER: 03736262 (England and Wales)

**Directors' Report and
Financial Statements
for the year ended 31 December 2022
for
Strathclyde Limited**

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Strathclyde Limited

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for the year ended 31 December 2022**

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Strathclyde Limited
Company Information
for the year ended 31 December 2022

DIRECTORS: D C Ward
A J Trow
W E Lewis

SECRETARY: A E Woods

REGISTERED OFFICE: 3 More London Riverside
London
SE1 2AQ

REGISTERED NUMBER: 03736262 (England and Wales)

AUDITOR: Mazars LLP
5th Floor
3 Wellington Place
Leeds
LS1 4AP

Strathclyde Limited
Directors' Report
for the year ended 31 December 2022

The Directors present their report with the financial statements of the company for the year ended 31 December 2022.

The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. Both the level of business and the year end financial position were in line with budgets and expectations.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a general partner to Strathclyde Limited Partnership. The limited partnership's principal activity during the year was the provision of design, construction and maintenance services including related financing arrangements for a police headquarters, under a 25 year PFI concession arrangement with Scottish Police Authority.

REVIEW OF BUSINESS

The statement of comprehensive income shows a profit for the financial year of £9,000 (2021: £6,000)

FUTURE DEVELOPMENTS

The company will continue to act as General Partner to Strathclyde Limited Partnership.

DIVIDENDS

The Directors recommend an interim dividend of £2,498 (2021: £2,573).

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk affecting the company is the performance of Strathclyde Partnership on the basis that the company derives its revenue from this entity. The immediate risk to the company of the limited partnership underperforming is a decline in revenues, and, longer term, the risk that the company cannot meet its liabilities as they fall due.

GOING CONCERN

The Company's ability to meet its debts as they fall due is dependent on the performance of the Company's interest in Strathclyde Limited Partnership ("the Partnership"), for which this company is a General Partner.

The Directors reviewed the Partnership's cash flow forecasts covering a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of possible downsides, the Partnership will have sufficient funds to meet its liabilities as they fall due for that period.

The Partnership's operating cash inflows are dependent on the underlying customer continuing to meet its obligations under the Project Agreement which are underwritten by the UK Government and the unitary charge receipts receivable from the local authority. The Directors expect these amounts to be received even in possible downside scenarios.

DIRECTORS

The Directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

D C Ward

A J Trow

W E Lewis (Appointed 1 July 2022)

M A Anwer (resigned 1 July 2022)

Strathclyde Limited

**Directors' Report - continued
for the year ended 31 December 2022**

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

DIRECTORS INDEMNITIES

The Company has made qualifying third-party indemnity provisions for the benefit of its Directors, which were made during the year and remain in force at the date of this report.


DISCLOSURE OF INFORMATION TO AUDITOR

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Mazars LLP will therefore continue in office.

ON BEHALF OF THE BOARD


William Lewis (Jun 29, 2023 14:17 GMT+1)

W E Lewis

Date: Jun 29, 2023

Independent Auditor's Report to the Members of Strathclyde Limited

Opinion

We have audited the financial statements of Strathclyde Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the 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.

Independent Auditor's Report to the Members of Strathclyde Limited

Matters on which we are required to report by exception

In 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 from the requirement to prepare a Strategic Report.

Responsibilities of 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: anti-bribery, corruption and fraud and money laundering.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation and the Companies Act 2006.

Independent Auditor's Report to the Members of Strathclyde Limited

In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this Report, or for the opinions we have formed.

Ashley Barraclough

Ashley Barraclough (Jun 29, 2023 14:34 GMT+1)

Ashley Barraclough (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
5th Floor
3 Wellington Place
Leeds
LS1 4AP

Date: Jun 29, 2023

Strathclyde Limited
(Registered number: 03736262)
Statement of Comprehensive Income
for the year ended 31 December 2022

	Notes	2022 £'000	2021 £'000
TURNOVER		-	-
OPERATING PROFIT	3	-	-
Income from subsidiary undertakings	4	13	12
PROFIT BEFORE TAXATION		13	12
Tax on profit	5	(4)	(6)
PROFIT FOR THE FINANCIAL YEAR		9	6
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		9	6

The notes form part of these financial statements

Strathclyde Limited
(Registered number: 03736262)

Statement of Financial Position
31 December 2022

	Notes	2022 £'000	2021 £'000
FIXED ASSETS			
Investments	7	-	-
		-	-
DEBTORS			
Amounts falling due within one year	8	93	82
		93	82
CREDITORS			
Amounts falling due within one year	9	(6)	(1)
NET CURRENT ASSETS		87	81
TOTAL ASSETS LESS CURRENT LIABILITIES		87	81
PROVISION FOR LIABILITIES	10	(8)	(9)
NET ASSETS		79	72
CAPITAL AND RESERVES			
Called up share capital		-	-
Retained earnings		79	72
SHAREHOLDER'S FUNDS		79	72

The financial statements were approved by the Board of Directors on Jun 29, 2023 and were signed on its behalf by:

William Lewis
 William Lewis (Jun 29, 2023 14:17 GMT+1)

W E Lewis - Director

The notes form part of these financial statements

Strathclyde Limited
(Registered number: 03736262)
Statement of Changes in Equity
for the year ended 31 December 2022

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2021	-	68	68
Changes in equity			
Total comprehensive income	-	7	7
Dividends (note 6)	-	(3)	(3)
Balance at 31 December 2021	-	72	72
Changes in equity			
Total comprehensive income	-	9	9
Dividends (note 6)	-	(2)	(2)
Balance at 31 December 2022	-	79	79

The notes form part of these financial statements

Strathclyde Limited
Notes to the Financial Statements
for the year ended 31 December 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared under the historical cost convention and in accordance with UK Accounting Standards, and are presented in pounds sterling which is the functional currency of the company. All amounts in the financial statements have been rounded to the nearest £1,000.

Statement of compliance

Strathclyde Limited is a private limited company incorporated in England. The Registered Office is 3 More London Riverside, London, SE1 2AQ. The financial statements have been prepared in compliance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and the Companies Act 2006 for the year ended 31 December 2022.

The company exists to hold investments in its subsidiaries that provide services under certain private finance agreements.

Reduced disclosures

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with. The Company's parent undertaking, Fieldsecond Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Fieldsecond Limited are prepared in accordance with FRS 102 and are available to the public and may be obtained from 3 More London Riverside, London, SE1 2AQ. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- from disclosing key management personnel compensation, as required by paragraph 7 of Section 33 'Related Party Disclosures';
- from presenting a reconciliation of the number of shares outstanding at the beginning and end of the year, as required by paragraph 12 of Section 4 'Statement of Financial Position'; and
- from preparing a cash flow statement.

On the basis that equivalent disclosures are given in the consolidated financial statements, the Company has also taken advantage of the exemption not to provide certain disclosures as required by Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues'.

Going concern

The Company's ability to meet its debts as they fall due is dependent on the performance of the Company's interest in Strathclyde Limited Partnership ("the Partnership"), for which this company is a General Partner.

The Directors reviewed the Partnership's cash flow forecasts covering a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of possible downsides, the Partnership will have sufficient funds to meet its liabilities as they fall due for that period.

The Partnership's operating cash inflows are dependent on the underlying customer continuing to meet its obligations under the Project Agreement which are underwritten by the UK Government and the unitary charge receipts receivable from the local authority. The Directors expect these amounts to be received even in possible downside scenarios.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. Current or deferred taxation assets and liabilities are not discounted. Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Strathclyde Limited
Notes to the Financial Statements - continued
for the year ended 31 December 2022

1. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements except that:

- unrelieved tax losses and other deferred tax assets are recognised only to the extent that the Directors consider that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timings differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Investments

Investments are stated at cost less provision for any impairment in value.

Short term debtors and creditors

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired: A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amount reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are no significant estimates or judgements in the preparation of these financial statements.

2. EMPLOYEES AND DIRECTORS

The company has no employees and hence there were no staff costs for the year ended 31 December 2022 (2021: £nil).

3. OPERATING PROFIT

The Directors received no remuneration, fees or other benefits in the performance of their duties in respect of their services to the company (2021: £nil). There are no key management personnel other than the directors. The audit fee for the company is borne by Strathclyde Limited Partnership.

4. INCOME FROM SUBSIDIARY UNDERTAKINGS

Income from participating interests represents the company's share of the allocated results of the Strathclyde Partnership for the year.

Strathclyde Limited
Notes to the Financial Statements - continued
for the year ended 31 December 2022

5. TAXATION

Analysis of the tax charge	2022	2021
	£'000	£'000
The tax charge on the profit for the year was as follows:		
Current tax:		
UK corporation tax	5	5
Deferred tax:		
Originating and reversal of timing differences	(1)	1
Tax charge on profit	<u>4</u>	<u>6</u>

Reconciliation of total tax credit included in profit and loss

The tax assessed for the year is higher than (2021: higher than) the standard rate of corporation tax in the UK. The difference is explained below:

	2022	2021
	£'000	£'000
Profit before tax	<u>13</u>	<u>12</u>
Profit before tax multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%)	2	2
Effects of:		
Expenses not deductible for tax purposes	2	2
Effect of difference in tax rates	-	2
Current tax charge for the year	<u>4</u>	<u>6</u>

Factors affecting the tax charge in future years

An increase in the UK corporation tax rate from 19% to 25% (effective from 1 April 2023) was substantively enacted on 24 May 2021, and the UK deferred tax liability as at 31 December 2022 has been calculated based on this rate. This will have a consequential effect on the company's future tax charge. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

6. DIVIDENDS

	2022	2021
	£'000	£'000
Ordinary share of £1	<u>3</u>	<u>2</u>

7. FIXED ASSETS INVESTMENTS

	2022
	£
BOOK VALUE	
At 1 January 2022	10
	-
At 31 December 2022	<u>10</u>
	<u>10</u>

The company has invested in Strathclyde Limited Partnership registered at 3 More London Riverside, London, SE1 2AQ, through the pledge of £10 to the capital account of the limited partnership which has a total pledged capital of £1,000. The company is entitled to a 1% share of the net income or losses and a 1% share of any capital gains or losses of the limited partnership, and has sole control over the operating decisions of the limited partnership. Strathclyde Limited Partnership is the contractual party in a PFI concession arrangement with Scottish Police Authority.

Strathclyde Limited
Notes to the Financial Statements - continued
for the year ended 31 December 2022

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Amounts owed to group undertakings	93	82
	<u>93</u>	<u>82</u>

9. CREDITORS: AMOUNTS FALLING WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Amounts owed to group undertakings	6	1
	<u>6</u>	<u>1</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

10. PROVISION FOR LIABILITIES

	2022	2021
	£'000	£'000
Deferred tax	<u>8</u>	<u>9</u>

	Deferred tax £'000
Balance at 1 January 2022	9
Deferred tax credit for the year (note 5)	(1)
Balance at 31 December 2022	<u>8</u>

Deferred tax liability consists of:

	2022	2021
	£'000	£'000
Accelerated capital allowances	7	8
Accelerated interest deduction	<u>1</u>	<u>1</u>
	<u>8</u>	<u>9</u>

Deferred tax arising on the FRS 102 conversion relates to additional reserves recognised on the underlying Partnership's conversion to FRS 102, for which this entity is a Partner.

Strathelyde Limited**Notes to the Financial Statements - continued
for the year ended 31 December 2022****11. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022	2021
			£	£
2	Ordinary	£ 1.00	<u>2</u>	<u>2</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

12. ULTIMATE CONTROLLING PARTY

The Directors regard Fieldsecond Limited, a company incorporated in England and Wales as the immediate parent undertaking and controlling party and International Public Partnerships Limited a company registered in Guernsey as the ultimate parent undertaking and controlling party. Copies of the consolidated financial statements of Fieldsecond Limited Partnership (a UK registered limited and the smallest and largest group of which the company is a member and for which group financial statements are prepared) can be obtained from the registered address at 3 More London Riverside, London, SE1 2AQ.