

**Amey Public Services LLP**

LLP number: OC359192

Annual Report and Financial Statements

For the year ended

31 December 2022



## **Amey Public Services LLP**

### **Annual Report and Financial Statements for the year ended 31 December 2022**

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#### **LLP number**

OC359192

#### **Members**

Amey LG Limited  
North Lanarkshire Council

#### **Management Committee**

K J Jarvey  
K Kerr  
M McPake  
A McPherson

#### **Registered Office**

Chancery Exchange  
10 Fumival Street  
London, EC4A 1AB  
United Kingdom

#### **Auditor**

Mazars LLP  
30 Old Bailey  
London  
EC4M 7AU  
United Kingdom

## **Amey Public Services LLP**

### **Strategic Report for the year ended 31 December 2022**

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The Members present their Strategic Report for the year ended 31 December 2022.

#### **Ultimate parent undertaking**

The LLP is a member of the Amey UK Limited group of companies and, following the change of ownership of Amey UK Limited on 30 December 2022, is now wholly owned by a company (Project Ardent Bidco Limited) controlled by One Equity Partners and Buckthorn Partners, private equity investors. The LLP is no longer a member of the Ferrovial, S.A. group of companies.

#### **Principal activities**

Amey Public Services Limited Liability Partnership (the LLP) holds a contract with North Lanarkshire Council for highways management. There have been no changes to the LLP's activities during the year.

#### **Review of business and future developments**

The income statement for the year is set out on page 10 and shows revenue of £20,863,000 (2021 – £20,217,000) and a profit for the financial year amounting to £200,000 (2021 – £562,000), all of which arose on continuing activities.

The LLP saw increased levels of activity in 2022 with revenue up by 3%. This follows a more significant 27% increase in 2021 and is the ongoing result of increased activity following the easing of Covid-19 restrictions. Gross profit has reduced by 62% as a result of cost pressures. The Members remain confident that this overall level of activity will be maintained for the foreseeable future.

There have been no events since the balance sheet date which materially affect the position of the LLP.

#### **Key performance indicators**

The LLP's principal key performance indicators are revenue and profit for the financial year which are shown in the income statement for the year set out on page 10.

#### **Principal risks and uncertainties**

The LLP's risks and other key performance indicators are reported and managed on a Divisional basis. To gain a further understanding of this business, details of the principal risks and uncertainties are contained in the Annual Report and Financial Statements of the intermediate parent undertaking, Amey UK Limited ('the Group'), for the year ended 31 December 2022. The LLP is a member of the Transport Infrastructure division of the Group.

**Amey Public Services LLP**

**Strategic Report for the year ended 31 December 2022 (continued)**

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**Financial risk management**

A discussion of the objectives and policies employed in managing risk and the LLP's use of financial instruments can be found in the Amey UK Limited Annual Report and Financial Statements for the year ended 31 December 2022 as the LLP is subject to the application of Group-wide policies and practices when assessing financial risk.

The LLP does not hold any cash flow hedge derivative financial instruments. There is no material financial risk arising on the assets and liabilities held by the LLP.

Approved on behalf of the Members and signed on their behalf by:



K J Jarvey  
Management Committee Member  
21 December 2023

## **Amey Public Services LLP**

### **Report of the Members for the year ended 31 December 2022**

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The Members present their Report together with the audited financial statements of the LLP for the year ended 31 December 2022.

#### **Strategic Report**

Details of future developments, post balance sheet events (if any) and financial risk management can be found in the Strategic Report on pages 1 to 2 and form part of this report by cross reference.

#### **Designated Members**

The Designated Members (together 'the Members') during the year, and up to the date of this report, were:

Amey LG Limited  
North Lanarkshire Council

The Members have delegated their powers of managing and coordinating the affairs of the LLP to the Management Committee.

#### **Energy and Carbon Performance**

The LLP has taken exemption from reporting on Energy and Carbon Performance as this information is included in the consolidated Annual Report and Financial Statements of Amey UK Limited, of which this LLP is a member. Full disclosure can be found in the Amey UK Limited Annual Report and Financial Statements for 2022.

#### **Management Committee**

The Members of the Management Committee of the LLP during the year, and up to the date of this report, were:

K J Jarvey  
R Steenson (resigned 1 March 2022)  
M McPake (appointed 9 December 2022)  
K Kerr  
A McPherson  
A Masterson (resigned 9 December 2022)

#### **Transactions with Members**

The Members participate fully in the LLP's profits and losses, share the risks, and subscribe to the LLP's capital.

The LLP's drawings policy allows Members to draw down the profits credited to it in the Member current account immediately after such profits have been credited, subject to such reasonable and proper reserve being retained for working capital requirements and other liabilities of the LLP as the Management Committee may consider reasonable.

#### **Going Concern**

After making enquiries and based on the assumptions outlined in note 2 to the financial statements, the Members have concluded that the LLP has adequate resources to meet its obligations as they fall due for a period of at least twelve months from the date of approving these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### **Policy on slavery and human trafficking**

In accordance with the Modern Slavery Act 2015, the Amey Group of which this LLP is a member, is committed to ensuring that there is no modern slavery or human trafficking in our supply chains, or in any part of our business, with a zero tolerance for non-compliance. A full statement reflecting that commitment can be found on the Amey website [www.amey.co.uk](http://www.amey.co.uk) and an abridged statement is included in the financial statements of the LLP's intermediate parent company, Amey UK Limited.

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**Report of the Members for the year ended 31 December 2022 (continued)**

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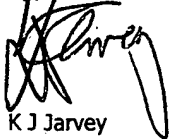
**Statement as to disclosure of information to the auditor**

All of the current Members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the LLP's Auditor for the purposes of the audit and to establish that the Auditor is aware of that information. The Members are not aware of any relevant audit information of which the Auditor is unaware. This confirmation is given and should be interpreted in accordance with the provisions of the Limited Liability Partnership (Financial Statements and Audit) (Application of Companies Act 2006) Regulations 2008.

**Auditors**

The Members appointed Mazars LLP as auditor of the LLP for 2022 following the resignation of Deloitte LLP on completion of the 2021 audit.

Approved on behalf of the Members and signed on their behalf by:



K J Jarvey  
Management Committee Member  
21 December 2023

## **Amey Public Services LLP**

### **Members' Responsibilities Statement**

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The Members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". The financial statements are required by law to give a true and fair view of the state of affairs of the firm and of the profit or loss of the firm for that period.

In preparing these financial statements, the Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the firm and enable them to ensure that the financial statements comply with the Limited Liability Partnership (Financial Statements and Audit) (Application of Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the firm and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Opinion**

We have audited the financial statements of Amey Public Services LLP (the 'LLP') for the year ended 31 December 2022 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows 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 Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the LLP'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 Limited Liability Partnership (Financial Statements and Audit) (Application of Companies Act 2006) Regulations 2008.

## **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 LLP 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 Members' 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 LLP'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 Members with respect to going concern are described in the relevant sections of this report.



## **Amey Public Services LLP**

### **Independent Auditor's Report to the Members of Amey Public Services LLP (continued)**

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#### **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 Members 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 Limited Liability Partnership (Financial Statements and Audit) (Application of Companies Act 2006) Regulations 2008**

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

- the information given in the strategic report and the members' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the members' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the LLP and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the members' report.

We have nothing to report in respect of the following matters in relation to which the Limited Liability Partnership (Financial Statements and Audit) (Application of Companies Act 2006) Regulations 2008 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 members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Members**

As explained more fully in the Statement of Members' Responsibilities on page 5, the Members 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 Members 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 Members are responsible for assessing the LLP'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 Members' either intend to liquidate the LLP 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.

**Independent Auditor's Report to the Members of Amey Public Services LLP (continued)**

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

Based on our understanding of the LLP and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

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 LLP 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 LLP 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, pension legislation, the Limited Liability Partnership (Financial Statements and Audit) (Application of Companies Act 2006) Regulations 2008, Climate Change Act 2008, Modern Slavery Act, Health and Safety laws, employment laws, environmental laws.

In addition, we evaluated the members' 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, in particular in relation to revenue recognition (which we pinpointed to the cut off), and significant one-off or unusual transactions.

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

- Making enquiries of the members 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;
- Evaluating the business rationale for significant and unusual transactions;
- Review of accounting estimates and judgment made by management – possible intentional misstatement of accounting estimates due to management bias which may result involving complex assumptions and subjective inputs;
- 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Amey Public Services LLP**

### **Independent Auditor's Report to the Members of Amey Public Services LLP (continued)**

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#### **Use of our report**

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Limited Liability Partnership (Financial Statements and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jon Barnard (Dec 21, 2023 14:00 GMT)

Jonathan Barnard (Senior Statutory Auditor)  
For and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
30 Old Bailey  
London, EC4M 7AU

21 December 2023

**Amey Public Services LLP****Income Statement for the year ended 31 December 2022**

	Note	2022 £'000	2021 £'000
Revenue	4	20,863	20,217
Cost of sales		(20,648)	(19,646)
Gross profit		215	571
Operating profit	5	215	571
Interest receivable	6	9	-
Net finance expense	7	(24)	(9)
Profit for the financial year before Members' remuneration and profit share		200	562
Members' remuneration and profit share charged as expense		(200)	(562)
Profit for the financial year available for discretionary division amongst Members		-	-

The notes on pages 15 to 31 form part of these financial statements.

**Amey Public Services LLP****Statement of Comprehensive Income for the year ended 31 December 2022**

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	2022 £'000	2021 £'000
Profit for the year	200	562
Total comprehensive income for the year	200	562

The notes on pages 15 to 31 form part of these financial statements.

## Balance Sheet at 31 December 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Tangible fixed assets	9	342	89
Current assets			
Inventories	10	399	686
Trade and other receivables	11	3,698	2,014
Cash and cash equivalents		-	625
Total current assets		4,097	3,325
Creditors: amounts falling due within one year	12	(4,032)	(3,287)
Net current assets		655	38
Total assets less current liabilities		407	127
Creditors: amounts falling due after one year	13	(152)	-
Net assets attributable to Members		255	127
Represented by:			
Loans and other debts due to Members within one year:			
Members' capital classified as a liability		6,170	6,242
Members' current accounts classified within liabilities		(5,916)	(6,116)
Total loans and other debts due to Members within one year	14	254	126
Members' other interests:			
Members' capital classified as equity	15	1	1
Total Members' other interests		1	1
Total Members' interests		255	127

The notes on pages 15 to 31 form part of these financial statements.

The financial statements on pages 10 to 31 were authorised for issue by the Board of Members on 21 December 2023 and were signed on its behalf by:



K J Jarvey  
Management Committee Member  
21 December 2023

**Amey Public Services LLP**

**Statement of Changes in Members' Interests for the year ended 31 December 2022**

	Members' capital classified as a liability £'000	Members' current Financial Statements classified within liabilities £'000	Members' capital classified as equity £'000	Total £'000
Amounts due to Members at 31 December 2020	6,245	-	1	6,246
Amounts due from Members at 31 December 2020	-	(6,678)	-	(6,678)
Members' interests at 1 January 2021	6,245	(6,678)	1	(432)
Members' remuneration and profit share credited as income	-	562	-	562
Members' interests after profit for the year	6,245	(6,116)	1	130
Loans to Members	(3)	-	-	(3)
Member's interests at 31 December 2021	6,242	(6,116)	1	127
Amounts due to Members at 31 December 2021	6,242	-	1	6,243
Amounts due from Members at 31 December 2021	-	(6,116)	-	(6,116)
Members' interests at 1 January 2022	6,242	(6,116)	1	127
Members' remuneration and profit share credited as income	-	200	-	200
Members' interests after profit for the year	6,242	(5,916)	1	327
Loans to Members	(72)	-	-	(72)
Member's interests at 31 December 2022	6,170	(5,916)	1	254
Amounts due to Members at 31 December 2022	6,170	-	1	6,171
Amounts due from Members at 31 December 2022	-	(5,916)	-	(5,916)
Members' interests at 31 December 2022	6,170	(5,916)	1	255

The notes on pages 15 to 31 form part of these financial statements.

**Amey Public Services LLP****Cash Flow Statement for the year ended 31 December 2022**

	Note	2022 £'000	2021 £'000
Net cash flow from operating activities	16	(383)	(828)
Transactions with Members:			
Loans repaid to Members		(72)	(3)
Net cash flow before investing and financing activities		(455)	(831)
Investing activities:			
Interest received		9	-
		9	-
Financing activities:			
Bank overdraft advance		132	-
Lease principal repayments		(287)	(202)
Lease interest paid		(24)	(9)
		(179)	(211)
Decrease in cash for the year	17	(625)	(1,042)

The notes on pages 15 to 31 form part of these financial statements.



## **Amey Public Services LLP**

### **Notes forming part of the financial statements for the year ended 31 December 2022**

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#### **1 General information**

The Limited Liability Partnership ('LLP') holds a contract with North Lanarkshire Council for highways management. The LLP is a limited liability partnership and is registered in England and Wales and domiciled in the UK. The registered office is Chancery Exchange, 10 Furnival Street, London, EC4A 1AB, United Kingdom.

#### **2 Basis of preparation and going concern**

##### **Basis of preparation**

The financial statements of the LLP have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101), the historical cost convention and in accordance with The Limited Liability Partnerships (Financial Statements and Audit) (Application of the Companies Act 2006) Regulations 2008.

These financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Limited Liability Partnership (Financial Statements and Audit) (Application of Companies Act 2006) Regulations 2008. The financial statements have been prepared under the historical cost convention.

During the year ended 31 December 2022, the following additional standards which might have had an impact on the financial statements came into force in the United Kingdom:

Amendment to IFRS 3	Conceptual framework
Amendment to IAS 16	Property, plant and equipment: proceeds before intended use
Amendment to IAS 37	Onerous contracts – cost of fulfilling a contract
Annual improvements	2018 – 2020 cycle

No significant impact on the LLP financial statements has been identified because of these additional standards and amendments.

New standards or interpretations applicable to the LLP for accounting periods commencing on or after 1 January 2023 are not expected to have a material impact on the LLP and will not be adopted early.

## **2 Basis of preparation and going concern (continued)**

### **Disclosure exemptions**

The following exemptions from the requirements of International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial instruments: disclosures';
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement': disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities;
- Paragraph 38 of IAS 1, 'Presentation of financial statements': comparative information requirements in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16, 'Property, plant and equipment';
  - paragraph 118(e) of IAS 38, 'Intangible assets': reconciliations between the carrying amount at the beginning and end of the period;
- The following paragraphs of IAS 1:
  - 10(f): a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements;
  - 16: statement of compliance with all IFRS;
  - 38B-D: additional comparative information;
  - 40A-D: requirements for a third statement of financial position;
  - 134-136: capital management disclosures;
- Paragraph 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors': requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective;
- Paragraph 17 of IAS 24, 'Related party disclosures': key management compensation;
- IAS 36, 'Impairment of assets' paragraphs 134 and 135;
- IFRS 15, 'Revenue from contracts with customers': second sentence of paragraph 110, and paragraphs 113(a), 114, 115, 118, 119 (a) to (c), 120 to 127 and 129; and
- IFRS 16, 'Leases': paragraph 52, the second sentence of paragraph 89 and paragraphs 90, 91 and 93. Paragraph 58, provided that the disclosure of details of indebtedness required by paragraph 61(c) of Schedule 1 of the Regulations is presented separately for lease liabilities and other liabilities in total.

### **Going concern**

The LLP is a subsidiary of Amey UK Limited (the Group) and its financial resources are managed on a group basis. The going concern assessment of the LLP is intrinsically linked to the assessment for the Group as a whole. The LLP has received written confirmation from its parent undertaking, Amey UK Limited, that it will continue to provide financial support to the LLP for a period of at least twelve months from the date of signing these financial statements in order to fund day-to-day operations and to meet liabilities to the extent that the LLP is unable to do so.

The Group is financed through a mixture of shareholder equity, bank loans, overdrafts and leases. Details of all bank loans and their maturity are set out in the Amey UK Limited financial statements for 2022, as are details of finance risks.

## **2 Basis of preparation and going concern (continued)**

### **Going concern (continued)**

On 30 December 2022, the Group was acquired by Project Ardent Bidco Limited, a company controlled in partnership between Buckthorn Partners LLP and One Equity Partners. The Group does not rely on its new owners for contractual guarantees, as was the case with the previous owner, Ferrovial, S.A., so there are no implications to the ongoing trading operations of the Group arising as a result of the change of ownership. Furthermore, continuity of financing was ensured through a new Group borrowing facility, entered into at the time of sale that replaced the Group's previous bank facilities and which was undrawn at 31 December 2022.

This replacement borrowing facility is the Group's key source of additional funding and is a syndicated revolving credit facility agreement with HSBC UK Bank plc, National Westminster Bank PLC, ABN AMRO Bank N.V. and Citibank, N.A. acting as lenders and with HSBC Bank plc acting as agent. This agreement totals £150 million, of which up to £100 million is available for borrowing with the remainder being available for ancillary products. The facility was entered into on 30 December 2022 and matures on the 30 December 2026. At 31 December 2022, no borrowings were drawn against the facility and the Group also held £33.7 million of unrestricted cash on the Group balance sheet.

Notwithstanding this continuity of financing, the Directors of the Group have reviewed several factors including:

- the future business plans of the Group (including the current year results and cash flows up to the date of these accounts, the current forecast for 2023 and the strategic plan for 2024 to 2027);
- the availability of core and ancillary financing facilities;
- compliance with banking covenants regarding net leverage, minimum liquidity and net interest cover;
- the projected drawn positions and headroom available on the core committed financing facilities; and
- the projected future cash flows of the Group comprising:
  - a Base Case forecast built up from the budget for 2023; and
  - a Reasonable Worst Case ('RWC') forecast which applies sensitivities against the Base Case.

The sensitivities applied to the RWC include specific, unbudgeted cash flows in 2023 and cash flow stress cases in 2024 ranging from 27% up to 66%. The Group's cash flow forecasts show that there is sufficient liquidity to enable it to continue trading should these scenarios materialise. In addition, management has considered significant additional reductions in headroom due to unforeseen events such as supply shocks and widespread client defaults, along with potential mitigations. Inflation is not considered a significant risk to the Group's liquidity as the majority of its revenues are index-linked and so are naturally hedged against inflationary pressures. Reverse stress testing showed that the Group would have sufficient liquidity in all but the most extreme case, where 100% of local government clients and 25% of central government agency clients default. The impact of this scenario could be offset by increased liquidity from mitigating actions and is in any case considered extremely remote. Furthermore, the Group's operations and suppliers are primarily in the United Kingdom and the majority of its clients are government or government-backed and so the Group is not considered to be exposed to vulnerable markets or sectors or from global factors such as armed conflicts and the climate crisis.

In summary, the directors of the Group are satisfied that the Group has adequate resources to meet its obligations as they fall due for a period of at least twelve months from the date of approving these financial statements and, for this reason, they continue to adopt the going concern basis in preparing the Group financial statements.

On the same basis, the Members of this LLP have adopted the going concern principle in preparing these financial statements.

## **2 Accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **Revenue recognition**

All revenue is accounted for under the requirements of IFRS 15 – Revenue from Contracts with Customers. Set out below are specific details of the methods applied as part of this policy:

#### *2 General revenue recognition criterion*

The first step for revenue recognition purposes is to identify the contracts and the performance obligations contained therein. The number of performance obligations that a contract has will depend on the type of contract and the activity. In general, the performance obligations that the LLP engages in are satisfied over time and not at a specific point in time, since the customer simultaneously receives and consumes the benefits provided by the entity's performance as the service is performed.

With respect to the method for recognising revenue over time (i.e. the method for measuring progress towards complete satisfaction of a performance obligation), the LLP has established certain criteria that are applied consistently for similar performance obligations. In this regard, the method chosen by the LLP to measure the value of goods or services for which control is transferred to the customer over time is the output method; this method is applied provided that the progress of the work performed can be measured on the basis of the contract and during its performance.

In contracts to provide different highly interrelated goods or services in order to produce a combined output, which is habitually the case in contracts with a construction activity, the applicable output method is that of surveys of performance completed to date (or measured unit of work), according to which revenue is recognised corresponding to the units of work performed and on the basis of the price allocated thereto. Under this method, on a regular basis, the units of work completed under each contract are measured and the corresponding output is recognised as revenue. Costs of work or services projects performed are recognised on an accrual basis, and the costs actually incurred in completing the units performed are recognised as an expense, together with those which, even though they are expected to be incurred in the future, have to be allocated to the units of work completed to date.

## 2 Accounting policies (continued)

### Revenue recognition (continued)

#### (i) General revenue recognition criterion (continued)

Also, in routine or recurring service contracts (in which the services are substantially the same), such as maintenance and cleaning services, which are transferred with the same pattern of consumption over time and whose remuneration consists of a recurring fixed amount over the term of the contract (e.g. monthly or annual payment), in such a way that the customer receives and consumes the benefits of the services as the entity provides them, the method selected by the LLP to recognise revenue is the time elapsed output method. Under this method, revenue is recognised on a straight-line basis over the term of the contract and costs are recognised on an accrual basis.

Lastly, only in those contracts that are not for routine or recurring services and for which the unitary price of the units to be performed cannot be determined, use of the stage of completion measured in terms of the costs incurred (input method) is permitted. Under this method, the entity recognises revenue based on the proportion that costs incurred to date bear to the total costs expected to be incurred to complete the work, taking into account the expected margins of the whole project per the latest updated budget. This method involves measuring the proportion of the costs incurred in the work completed to date to the total costs envisaged and recognising revenue in proportion to total expected revenue. Under this method, the proportion that contract costs incurred bear to the estimated total contract costs is used to determine the revenue to be recognised, by reference to the estimated margin for the entire term of the contract. As indicated above, this method is only applied to complex construction or service contracts with a fixed price ("lump sum") in which it is not possible to break down the units produced and measure them.

#### *Recognition of revenue from contract modifications, claims and disputes*

Contract modifications are defined as changes in the scope of the work, other than changes envisaged in the original contract, that may result in a change in the revenue associated with that contract. Modifications to the initial contract require the customer's technical and financial approval before billings can be issued and the amounts relating to the additional work can be collected. The LLP does not recognise the revenue from such additional work until the customer's approval has been obtained. In cases where the additional work has been approved but the corresponding change in price has not been determined, the requirement described below for variable consideration is applied: namely, to recognise revenue for an amount with respect to which it is highly probable that a significant reversal will not occur. The costs associated with these additional units or services performed are recognised when incurred, irrespective of whether or not the modification has been approved.

A claim is a request for payment or compensation from the customer (for example, for compensation, reimbursement of costs, or a legally compulsory inflation review) that is made directly to the customer. The method followed by the LLP with respect to claims is to apply the method described above for modifications, when the claims are not covered by the contract, or the method used for variable consideration, when the claims are covered by the contract but need to be quantified.

A dispute is the result of a disconformity or rejection following a claim made to the customer under the contract, the resolution of which is dependent on a procedure conducted directly with the customer or a court or arbitration proceeding. Per the criteria followed by the LLP, revenue relating to disputes in which the enforceability of the amount claimed is questioned is not recognised, and previously recognised revenue is derecognised, since the dispute demonstrates the absence of the customer's approval of the work completed. If the customer only questions the price, revenue recognition is based on the criterion applied in cases of variable consideration discussed below.

Only in those cases in which there is a legal report confirming that the rights under dispute are clearly due and enforceable and that, therefore, at least the costs directly associated with the related service will be recovered, may revenue be recognised up to the limit of the amount of the costs incurred.

## 2 Accounting policies (continued)

### Revenue recognition (continued)

#### *Variable consideration*

If the consideration promised in a contract includes a variable amount, this amount is recognised only to the extent that it is highly probable that a significant reversal in the amount recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

#### *Balance sheet items relating to revenue recognition: amounts recoverable on contracts/payments received on account*

Unlike the method used to recognise contract revenue, the amounts billed to the customer are based on achievement of the various milestones established in the contract and on acknowledgement thereof by the customer, which takes the form of a contractual document called "certificate of completion" or "work order". Thus, the amounts recognised as revenue for a given year do not necessarily coincide with the amounts billed to or certified by the customer. In the case of contracts in which the goods or services transferred to the customer exceed the related amount billed or certified, the difference is recognised (as a contract asset) in an asset account called "Amounts recoverable on contracts" under "Trade and other receivables", whereas in contracts in which the goods or services transferred are lower than the amount billed to or certified by the customer, the difference is recognised (as a contract liability) in a liability account called "Deferred income" under "Trade and other payables".

### Leases

#### *The LLP as lessee*

The LLP assesses whether a contract is or contains a lease at inception of the contract. The LLP recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (less than £5,000). For these leases, the LLP recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the net present value of the future lease payments at the commencement date, discounted using the rate implicit in the lease. If this rate cannot be readily determined, the LLP uses its incremental borrowing rate. The LLP has taken advantage of the practical expedients available in IFRS 16 to apply a single discount rate to a portfolio of leases.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

## 2 Accounting policies (continued)

### Trade and other receivables

Trade and other receivables are amounts due from fellow group undertakings and amounts recoverable on contracts.

Amounts recoverable on contracts represent the excess of work done including attributable profit over cumulative payments on account received. Payments on account in excess of work done are included within creditors.

They are initially recognized at fair value and subsequently measured at amortized cost, less provision for impairment. They are classed as non-current assets if collection is expected after more than twelve months.

### Financial instruments

#### *Recognition and de-recognition*

Financial assets and financial liabilities are recognised when the LLP becomes a party to the contractual provisions of the financial instrument. Financial assets are de-recognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is de-recognised when it is extinguished, discharged, cancelled or expires.

#### *Classification and initial measurement of financial assets*

Except for those trade receivables that do not contain a significant financing component, and which are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for applicable transaction costs. Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories: amortised cost; fair value through profit or loss (FVTPL); or fair value through other comprehensive income (FVOCI). The classification is determined by both the LLP's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

#### *Subsequent measurement of financial assets*

- (a) Financial assets at amortised cost – financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL): they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows and the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest.
- (b) Financial assets at FVTPL – financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at FVTPL. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).
- (c) Financial assets at FVOCI – the LLP accounts for financial assets at FVOCI if the assets meet the following conditions: they are held under a business model whose objective is 'hold to collect' the associated cash flows and the contractual terms of financial assets give rise to cash flows that are solely payments of principal and interest. Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon de-recognition of the asset.

**2 Accounting policies (continued)**

**Financial instruments (continued)**

*Impairment of financial assets*

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements include loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at FVTPL. Recognition of credit losses is no longer dependent on the LLP first identifying a credit loss event. Instead, the LLP considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between: Stage 1 - financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk; Stage 2 - financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low; and Stage 3 - financial assets that have objective evidence of impairment at the reporting date. Twelve-month expected credit losses are recognised for the first category while lifetime expected credit losses are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

- (a) Trade and other receivables - trade receivables are initially recognised and carried at the lower of their original invoiced value and recoverable amount. Balances are written off when the probability of recovery is remote. The LLP makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The LLP uses historical experience, external indicators and forward-looking information to calculate the expected credit losses. The LLP assesses impairment of trade receivables on a collective basis. Where they possess shared credit risk characteristics, they have been grouped based on industry sector global default rates.
- (b) Intercompany loans receivable - intercompany advances to other Group companies are all held to maturity, neither party has an option to call or prepay the loan before the contracted maturity date. Such assets are held under a business model to hold and collect contractual cash flows and therefore meet the 'solely payments of principal and interest' test. No embedded derivatives are currently recognised in these advances, and the amortised cost classification is not impacted. All intercompany advances are assessed for impairment under the ECL model using the simplified approach.

*Classification and measurement of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered. An equity instrument is any contract that provides a residual interest in the assets of a business after deducting all other liabilities.

The LLP's financial liabilities include borrowings, trade and other payables and derivative financial instruments.



## 2 Accounting policies (continued)

### Financial instruments (continued)

#### *Classification and measurement of financial liabilities (continued)*

- (a) Borrowings - borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost unless they form part of a fair value hedge relationship. Any difference between the amount initially recognised (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the EIR method. Borrowings being novated or cancelled and re-issued, with a substantial modification of the terms, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability, with any resulting gain or loss recognised in the income statement.
- (b) Trade and other payables - trade and other payables are non-interest bearing and are stated at their fair value and subsequently measured at amortised cost using the EIR method.

#### *Derivative financial instruments and hedging activities*

- (a) Derivatives are initially recognised at fair value on the date a derivative contract is entered and are subsequently re-measured at their fair value. Derivative financial instruments are accounted for at FVTPL except for cash flow hedge derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment. To qualify for hedge accounting, the hedging relationship must meet the following requirements: there is an economic relationship between the hedged item and the hedging instrument; and the effect of credit risk does not dominate the value changes that result from that economic relationship. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The LLP designates certain derivatives either as fair value hedges, where they hedge exposure to changes in the fair value of the hedged asset or liability or as cash flow hedges, where they hedge exposure to variability in cash flows that are attributable to a risk associated with any changes in the fair value of the hedged asset, liability or forecasted transaction. The LLP documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The LLP also documents, both at hedge inception and on an ongoing basis, its assessment of whether the cash flow hedge derivatives used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. The fair value of a derivatives is classified as a non-current asset or liability when the remaining maturity is more than 12 months and as a current asset or liability where it is less than 12 months.
- (b) Fair value hedge - all hedging relationships that were hedging relationships under IAS 39 meet IFRS 9's criteria for hedge accounting at 1 January 2022 and are therefore regarded as continuing hedging relationships. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value gains and losses on any underlying hedged items that are part of a fair value hedging relationship. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the EIR method is used is amortised in the income statement over the period to maturity.
- (c) Cash flow hedge - the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in OCI. To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in OCI and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss. Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When or if a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

**2 Accounting policies (continued)**

**Financial instruments (continued)**

*Derivative financial instruments and hedging activities (continued)*

- (d) Derivatives at fair value through profit and loss – certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of these derivative instruments are recognised immediately in the income statement. When derivatives are designated in a hedge relationship, the net interest payable or receivable on those derivatives is recorded net of the interest on the underlying hedged item in the income statement. When derivatives are not in a hedge relationship, the fair value changes on these derivatives are recognised within fair value gains or losses on financial instruments in the income statement. The interest payable and receivable on those derivatives are recorded at their net amount in finance costs in the income statement.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits with banks. Bank overdrafts are shown within borrowings in current liabilities.

**Creditors**

Obligations to pay for goods and services are recognised initially at fair value and subsequently measured at amortised cost.

**Tangible fixed assets**

Tangible fixed assets are stated at historical cost less depreciation and impairment. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. Freehold land and buildings are not depreciated. The rates generally applicable are:

Short leasehold land and buildings – term of the lease  
Plant and machinery – 1 to 3 years

**Inventories**

Inventories are stated at the lower of cost and net realisable value. Contract work in progress is stated at cost, which includes appropriate overheads but not interest, or at net realisable value, whichever is lower. Full provision is made for estimated losses to the completion of contracts.

### **3 Critical accounting estimates and judgements**

#### **Accounting estimates**

In the financial statements for 2022, estimates have been made to measure certain assets, liabilities, income, expenses and obligations reported herein. These estimates relate to the following:

- (i) Estimates taken into consideration for the purpose of recognising revenue from contracts with customers including most notably those associated with:
  - determining whether enforceable rights exist, in order to recognise revenue;
  - determining whether a contract modification has been approved;
  - establishing whether the conditions for recognising revenue for variable consideration are met;
  - recognising revenue in relation to a claim or a dispute;
  - establishing whether the contract includes one or several performance obligations, and determining the price allocable to each of them;
  - defining for each performance obligation the applicable method for recognising revenue over time, taking into account that, based on the accounting policy established by the LLP, the preferred method is the 'survey of performance completed to date' output method (units of production or based on time elapsed), and the 'stage of completion measured in terms of costs incurred' input model is applied in those cases in which the services provided are not routine and recurring services, and in which the unit price of the units of work to be performed cannot be determined;
  - in the case of contracts recognised using the survey of performance completed to date method, measuring the units completed and the price that can be allocated thereto;
  - in the case of contracts recognised using the 'percentage of completion method' input method, defining the costs incurred relative to total contract costs, and the expected profit margin for the contract;
  - determining whether to capitalise bidding costs and mobilisation costs;
  - making estimates relating to the calculation of the provision for expected losses and deferred expenses including the level of discount rate to be applied when calculating the provision; and
  - the aim of the criterion described above is to provide the most faithful depiction of the transfer of performance obligations.
- (ii) The assessment of possible legal contingencies
- (iii) The assessment of possible impairment losses on certain assets

Although these estimates were made on the basis of the best information available at 31 December 2022 on the events analysed, events that take place in the future might make it necessary to change these estimates. Changes in accounting estimates would be applied prospectively in accordance with the requirements of IAS 8 (Accounting Policies, Changes in Accounting Estimates and Errors).

The key accounting estimates and judgements are further considered below:

#### **Key sources of estimation uncertainty**

No key sources of estimation uncertainty have been identified during the preparation of these financial statements.

#### **Key judgements**

No key judgements have been identified during the preparation of these financial statements.

## Amey Public Services LLP

### Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

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#### 4 Revenue

Revenue and the profit for the financial year before Members' remuneration and loss share are attributable to the principal activity of highways management. All revenue arises solely within the UK.

#### 5 Operating profit

The operating profit is stated after charging/(crediting):

	2022 £'000	2021 £'000
Deferred income recognised in the year	(1,029)	(1,372)
Depreciation - right of use assets	375	201
Short term and low value lease rentals - hire of plant and machinery	4,220	3,560
- IT licences and rentals	38	41
Cost of inventory recognised as an expense	5,552	5,780

The auditor's remuneration is borne by Amey Group Services Limited, a fellow subsidiary undertaking of the LLP, and is not recharged. The allocation to the LLP of the auditor's fees, which are attributable solely to the audit of these financial statements, is £23,000 (2021 - £30,000).

Short term and low value lease rental charges include recharge of costs incurred by fellow group undertakings on behalf of the LLP.

The average number of Members during the period was two (2021 – two) and the average number of Management Committee members was four (2021 – four). The profit share of the highest paid Member was £133,000 (2021 – £375,000).

**Amey Public Services LLP****Notes forming part of the financial statements for the year ended 31 December 2022 (continued)****6 Finance income**

	2022 £'000	2021 £'000
Other interest receivable	9	-
	<u>9</u>	<u>-</u>

**7 Net finance expense**

	2022 £'000	2021 £'000
Lease interest payable	24	9
	<u>24</u>	<u>9</u>

**8 Employee costs (including Committee Members)**

The LLP had no direct employees in either 2022 or 2021. The costs of employees of Amey Services Limited are recharged to this LLP in direct support of its trade.

No Committee Members were remunerated through the LLP in 2022 or 2021.

The remuneration of the Committee Members, whose services are of a non-executive nature, are paid by fellow group undertakings. Their remuneration is deemed to be wholly attributable to their services to the Group as a whole.

**9 Tangible fixed assets**

	Right of use £'000	Plant and machinery £'000	Total £'000
Cost			
At 1 January 2022	684	112	796
Additions	628	-	628
At 31 December 2022	<u>1,312</u>	<u>112</u>	<u>1,424</u>
Depreciation			
At 1 January 2022	595	112	707
Charge for the year	375	-	375
At 31 December 2022	<u>970</u>	<u>112</u>	<u>1,082</u>
Net book value			
At 31 December 2022	<u>342</u>	<u>-</u>	<u>342</u>
At 31 December 2021	<u>89</u>	<u>-</u>	<u>89</u>

**Amey Public Services LLP****Notes forming part of the financial statements for the year ended 31 December 2022 (continued)****9 Tangible fixed assets (continued)****Right-of-use assets**

The LLP leases property. The average lease term is 14 years. The LLP's leasing arrangements do not have any variable payment mechanisms and no residual values have been ascribed to the leases. The LLP has not entered into any sale or leaseback type of transaction. As at 31 December 2022, there were no leases not yet commenced to which the LLP was committed (2021 - none).

	2022 £'000	2021 £'000
<b>Amounts recognised in profit and loss</b>		
Depreciation expense on right-of-use assets	375	201
Interest expense on lease liabilities	24	9

**Lease liabilities**

At the reporting date, the LLP had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £'000	2021 £'000
Within one year	310	93
Within one to two years	138	-
Total undiscounted lease liabilities at 31 December	448	93
Impact of future lease interest	(15)	(1)
	<u>433</u>	<u>92</u>
Current	281	92
Non current	152	-
Lease liabilities included in the Statement of Financial Position at 31 December	<u>433</u>	<u>92</u>

**10 Inventories**

	2022 £'000	2021 £'000
Raw materials and consumables	<u>399</u>	<u>686</u>

**11 Trade and other receivables**

	2022 £'000	2021 £'000
Amounts falling due within one year:		
Trade debtors	85	926
Amounts recoverable under contracts	1,338	638
Other taxes and social security	68	-
Amounts due from group undertakings	342	235
Other debtors	-	17
Prepayments and accrued income	1,865	198
Total current trade and other receivables	<u>3,698</u>	<u>2,014</u>

**Amey Public Services LLP****Notes forming part of the financial statements for the year ended 31 December 2022 (continued)****12 Creditors: amounts falling due within one year**

	2022 £'000	2021 £'000
Bank overdrafts	132	-
Trade creditors	672	490
Amounts due to group undertakings	1,842	2,339
Other taxes and social security	4	55
Lease liabilities (see note 9)	281	92
Accruals	118	266
Deferred income	983	45
Total creditors falling due within one year	<u>4,032</u>	<u>3,287</u>

The bank overdraft is repayable on demand.

**13 Creditors: amounts falling due after one year**

	2022 £'000	2021 £'000
Lease liabilities (see note 9)	152	-
Total creditors falling due after one year	<u>152</u>	<u>-</u>

**14 Loans and other debts due to Members within one year**

	2022 £'000	2021 £'000
Members' capital classified as a liability		
– amounts due to fellow group undertakings	6,170	6,242
Members' current Financial Statements classified within liabilities	<u>(5,916)</u>	<u>(6,116)</u>
Total loans and other debts due to Members within one year	<u>254</u>	<u>126</u>

Amounts due to fellow group undertakings are payable on demand and do not bear interest. There is no difference between the book value and the fair value of amounts owed to group undertakings.

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

**15 Members' other interests**

	Members' capital contributions £'000	Total Members' other interests £'000
Members' capital contributions and losses classified as equity at 31 December 2022 and at 31 December 2021	1	1

In the event of a winding up, any surplus sum that remains at the conclusion of the winding up will be paid to the Members in proportion to the Member's capital contributions.

**16 Net cash flow from operating activities**

	2022 £'000	2021 £'000
Operating profit for the financial year	215	571
Depreciation charge for the year	375	201
Decrease/(increase) in inventories	287	(32)
Increase in debtors	(1,684)	(717)
Increase/(decrease) in creditors	424	(851)
Net cash flow from operating activities	(383)	(828)

**17 Reconciliation of net cash flow to movement in net cash**

	2022 £'000	2021 £'000
Decrease in cash for the year	(625)	(1,042)
Movement in net cash	(625)	(1,042)
Net cash at 31 December 2021	625	1,667
Net cash at 31 December 2022	-	625

**18 Analysis of decrease in cash at bank during the year**

	At 31 December 2021 £'000	Net cash flow 2022 £'000	At 31 December 2022 £'000
Cash at bank and in hand	625	(625)	-



## Amey Public Services LLP

### Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

#### 19 Contingent liabilities

Losses, for which no provision has been made in these financial statements, which might arise from litigation in the normal course of business are not expected to be material in the context of these financial statements.

There were no other contingent liabilities at 31 December 2022 or at 31 December 2021.

#### 20 Financial and capital commitments

The LLP had no capital commitments at 31 December 2022 or at 31 December 2021.

#### 21 Related party transactions

The related parties are North Lanarkshire Council ('NLC'), which is the LLP's main customer and also holds one-third share in the LLP, and the Amey UK Limited group of companies ('Amey Group'), which is the LLP's main partner and supplier and holds a two-thirds share in the LLP through a subsidiary undertaking.

	NLC 2022 £'000	Amey Group 2022 £'000	NLC 2021 £'000	Amey Group 2021 £'000
Income statement				
Revenue with related parties	19,702	1,383	17,002	3,196
Purchased from related parties	<u>389</u>	<u>7,705</u>	<u>269</u>	<u>7,412</u>
Balance sheet				
Trade and other receivables	2,320	451	1,419	101
Creditors	<u>97</u>	<u>92</u>	<u>64</u>	<u>(58)</u>

For NLC, the purchases relate to property rents, rates and insurance. For Amey Group, the purchases relate to staff costs of £6,889,000 (2021 – £6,559,000) and other operating costs of £816,000 (2021 – £853,000).

#### 22 Controlling parties

The immediate parent undertaking is Amey LG Limited.

The ultimate parent undertaking, the ultimate controlling party and the largest group to consolidate these financial statements is Project Ardent Bidco Limited.

The LLP is a limited liability partnership in which the partners, Amey LG Limited and North Lanarkshire Council hold 67% and 33% respectively.

The parent of the smallest group in which these financial statements are consolidated is Amey UK Limited, incorporated in England and Wales.

Copies of the Project Ardent Bidco Limited or Amey UK Limited consolidated financial statements can be obtained from the registered office as follows:

The Company Secretary  
Chancery Exchange  
10 Furnival Street  
London EC4A 1AB  
United Kingdom