

Annual Report and Accounts 2020/21



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Welcome

Welcome to the BlueLight Commercial Annual Report and Accounts 2020/21.

We are delighted to present our inaugural Annual Report and Accounts following our first year of incorporation.

BlueLight Commercial was established in 2020 by the Home Office as a not for profit, private company limited by guarantee, to work in collaboration with blue light organisations and local/national suppliers, to help transform their commercial services and deliver benefits back to the front line.

Chair's statement



Matthew Scott
Police & Crime Commissioner Kent
Chair of BlueLight Commercial Board

The last year has been like no other, certainly in my lifetime. The global pandemic has had terrible effects on our people and so many aspects of our lives. It has also brought communities closer together to help one another and showed the best of society too.

I strongly commend the work that our Chief Executive Officer, Lianne Deeming has done over the last year to bring BlueLight Commercial together, and congratulate the whole team on what they have been able to deliver in a very different working environment. I also thank the members of the Board for their support, scrutiny, and engagement over the past year.

When I became Chair of the National Commercial Board in November 2019, the case for change in procurement and commercial activity was strong. Policing was presenting a fragmented voice to the market. Best practice was not always being shared. Data wasn't being used in its most effective way and it was clear that more could be done to boost our use of resources.

There is no such thing as "government money", and so at the heart of all of this is ensuring that we use taxpayers' money in the most efficient and effective way - to aid the fight against crime and antisocial behaviour, support officers and staff in giving them the tools they need and getting the most value out of every pound, in what remains a tough financial settlement.

The work that was being done prior to the establishment of BlueLight Commercial was showing the benefits of co-ordinated efforts on savings and commercial activity, but it was clear that the company was needed to drive this further.

And so with every Police and Crime Commissioner joining the company as members, the support of Chief Constables and strong backing from the Home Office with over £13m of funding over three years, BlueLight Commercial has a strong mandate for change to deliver commercial excellence within policing.

There have already been some early signs of success. The work in key areas is going to bear fruit very soon, with deals struck on fleet and in car CCTV. The social value tool which has been delivered is seen as market leading. BlueLight Commercial has also demonstrated agility in developing supply chain resilience, for example in PPE. Police Forces are approaching BlueLight Commercial to ask for support on local issues. Collaboration has been secured with fire and rescue services, non-Home Office forces and policing abroad.

And as word of our successes grow and people see what BlueLight Commercial can deliver, the company is being asked to lead other pieces of work including at governmental level.

We can all be tremendously proud of what the team has achieved in its first year and the year ahead will I'm sure lead to further savings and improvements in policing's commercial capabilities. I thank Lianne and the team again for all their efforts and wish them continued success.

Chief Executive Officer's statement



Lianne Deeming
Chief Executive Officer
BlueLight Commercial

It has been a real pleasure to set up and lead BlueLight Commercial and I am extremely proud of what we have achieved together in our first year of operation and reflect on the achievements of the past year as the company was established and the 'Journey to Commercial Excellence' commenced.

Through a year of unprecedented change and rapid shifts in markets and technologies, BlueLight Commercial has successfully demonstrated how to set up a company remotely at pace, providing immediate responses to a number of emerging issues, including the establishment and management of the national PPE supply chain and detailed market analysis in response to the EU Exit process and the associated impacts on business critical supply chains.

This has been a year where BlueLight Commercial has demonstrated its unique value and we were delighted to see that different commercial approaches were identified and developed in a number of areas:

- National arrangements were put in place to provide forces with vehicle supply options during the pandemic, critical to day to day operational activity and a national tender process was completed for 8000 vehicles over 2 years.
- A leading-edge Social Value tool was developed and rolled out to support both the commitments made to local communities and the overarching UN Sustainability Goals.
- The spend in the Contingent Labour category was aggregated and a procurement strategy developed, this will maximise savings opportunities and ensure that a consistent pool of the specialist resources required by policing is available.

Whilst our targets for our first year of trading were ambitious, I'm delighted to report that they were exceeded and together, with our partners, we were able to contribute to the delivery of over £47m of cashable savings during the year and £13m of back office efficiency savings. This means the three-year period ending March 2021, delivered cashable savings of £127.6m and £27.5m back office efficiency savings, which exceeded the targets by £28m and £7m respectively.

We could not have achieved such a strong start to BlueLight Commercial without the hard work, commitment and expertise of our people and commercial colleagues

from across our members. This close collaboration, consolidation of activity and sharing of best practise, enables enhanced regional and local commercial activity, resulting in increased savings and improvements that ultimately leads to increased support for the front line, for example helping the Police Uplift Programme.

As we move into our second year of operation, the 'Year of Transformation,' work will continue to build on the momentum achieved to ensure that commercial activity across policing is capable of delivering quality goods and services, offering value to the public purse and the communities served. Key themes for this year and looking forward are:

- National category management and efficiency programmes to deliver realisable benefits.
- Developing and widening our membership in blue light services.
- Providing expertise and demonstrating agility to respond to key policing, fire and other blue light services needs.
- Developing commercial capabilities throughout BlueLight Commercial to support all roles that play a part in the commercial lifecycle.
- Developing centres of expertise in commercial analytics, enabling services, commercial capability, supplier relationships and innovation.

The team that we have built has risen to the challenge and continues to collaborate with our partners to find commercial solutions that support the fiscal landscape, supporting the programmes described above linked to the needs of policing and our communities.

We look forward to being your partner and collaborating with you further in 2021/22.

The need for BlueLight Commercial

Following a review into the Future Operating Model for Commercial and Shared Services for Policing in 2019, BlueLight Commercial was set up to help embed a commercial mindset and culture, establish a more agile 'customer focussed' and supportive organisation that brings together cross-force data and shares best practice to improve local decision making. Providing expertise and knowledge BlueLight Commercial enhances regional and local approaches through improving the overall buying power of policing. It provides transformational change, greater economies of scale, more shared procurement and acceleration of the move to shared back office services. The case for change was summarised into the following areas.

Case for change

Commercial capability & capacity

Fragmented commercial services across policing with:

- No structured approach to best practice sharing.
- Problems solved multiple times (limited sharing and learning).
- Incomplete data.
- Resources aren't being used to their full potential.

Commercial talent career path and development

BlueLight Commercial will establish a broader national skill set that provides a professional and structured career path for everyone involved in commercial services in Policing. CEO to become head of function.

Ministerial priority & funding dependencies

There is ministerial pressure for all forces to sign up to a new procurement operating model.

External factors

The current commercial model does not have the strategic overview and oversight needed to most effectively deal with changes and challenges.

Savings targets & achievements

Delivering commercial savings against target.

Achieving the 2025 vision

By 2025 police business support functions will be delivered in a more consistent manner to deliver efficiency and enhance interoperability across the police service. The current commercial landscape does not support the vision.

Savings & value for money for the taxpayer

The Home Secretary stated "the Government expects continued efficiency savings in 2019/20 through collective procurement."

Fragmented voice to market

BlueLight Commercial will not only help strengthen the sector's buying position, but it will help manage key markets to maximise continuity, quality and value.

Third party spend

Through work commissioned from Proxima, an independent procurement consultancy, it was estimated that c. £1.3bn of this spend is addressable on a collaborative basis with the potential for savings across the collective commercial lifecycle.

No systematic application of best practice across the full commercial life cycle

Current commercial focus is on price and 'doing deals' rather than contract management. This results in lost value, otherwise known as "contract value leakage" and is something BlueLight Commercial can help to address.

Transforming commercial services together

Our ambition

Our ambition is to be a trusted partner and the 'go to' commercial service for blue light organisations aiming to deliver value through commercial expertise and innovation, thereby ensuring the responsible and sustainable use of public resources.

Purpose, Vision and Mission

Purpose Commercial excellence - We're here to support the organisations we work with by helping them develop and deliver their and our journey to commercial excellence.

Vision To be the trusted partner and 'go to' commercial service.

Mission Work with blue light organisations to deliver value through commercial expertise and innovation, ensuring the responsible and sustainable use of public resources.

Our values

Our values shape and drive everything we do and underpin the service we offer our members and suppliers.

Be the best

Be a team

Be responsible

Be open

Be the difference

Strategic objectives

BlueLight Commercial develops commercial solutions for the procurement of common goods and services to support blue light services, ensuring value for money and the responsible and sustainable use of public resources.

We consulted with our stakeholders and committed to ten strategic priorities to drive the 'Journey to Commercial Excellence'.

- 1 Setting benchmarks and sharing best practice across policing
- 2 Leading and delivering commercial best practice across policing through provision of commercial expertise and advice
- 3 Developing and deploying professional toolkits to drive commercial focus
- 4 Developing category strategies which meet operational needs and deliver savings
- 5 Developing supply chain risk profiles and management strategies
- 6 Developing excellence in contract performance management and supplier relationship management
- 7 Supporting sustainability and social value for blue light services
- 8 Support, identify and promote best practice in relation to revenue generation
- 9 Producing accurate and timely information management and spend reporting to drive continuous improvement and savings
- 10 Promoting commercial capability professional development in forces large and small

Year 1 performance at a glance

OCT 2019 Case for change developed

2019



2019/20 successful pilot of Fleet Services Category in Yorkshire and Humber. Established category operating model for BlueLight Commercial.


MAR 2020



BlueLight Commercial incorporated

MAY 2020 Lianne Deeming appointed CEO

JUN 2020




BlueLight Commercial became operational

- Access to national commercial strategy, detailed spend analysis and being able to provide strategic advice to NPCC and APCC
- PPE process and supply chains developed
- Interim vehicle contracts negotiated

OCT 2020

- 26 employees
- Shared Service analysis started
- Covid-19 PPE supply chain
- Well-being analysis
- Contract labour analysis
- Aviation strategic commercial review stage 1
- Fleet tender launched

JAN 2021



- 35 employees
- Baseline commercial competencies
- Contract management development
- Reporting analytics and savings processes transferred from 3rd party to BlueLight Commercial
- Social Value Tool role out commences
- Estates strategy for deep dive areas

FEB 2021



- Shared service deep dive in recruitment
- Sustainability agenda in place
- Commercial processes IT roadmap developed
- Contingent labour strategy
- Revenue standard contract developed

FEB 2021

- 43 employees
- National fleet tender completed
- In car CCTV framework
- Custody healthcare standards
- Aviation OBC completed
- Learner Management System
- Energy report
- Spend and savings analytics tool developed

Performance highlights

As part of our grant settlement from the Home Office, we were tasked with the achievement of several first-year deliverables. These included the creation of a Delivery Plan detailing agreed outcomes, supporting activities and establishing KPIs to monitor and report progress.

Summary performance against grant deliverables

Summarised Deliverable	Specific Focus	Outcome
Recruitment of 43 staff		Team of 43 experts recruited with experience from blue light organisations, industry and other public and private sector businesses.
Category strategies	Vehicles and Air Support	Outline Business Case developed for policing on future of aviation. Over £3m of savings delivered through fleet vehicle interim contract. BlueLight Commercial framework for in-car CCTV delivered.
	People and Professional Services	The contingent labour commercial strategy has been finalised and agreed. Initial scoping in other areas including consultancy and occupational health has progressed.
Social Value Support		Market leading national supplier Social Value Tool launched
Shared Service vision/ convergence roadmap		Shared Service roadmap developed
Summary spend and data analytics		Self-service spend analytics portal developed for data capture and data, market performance and risk analytics in development
Summary capability approach		Capability approach developed
3-year cashable savings £100m		Contributed to the delivery of £127.6m cashable savings delivered to period ending March 2021
3-year back office efficiencies £20m		Contributed to the delivery of £27.5m back office savings delivered to period ending March 2021
Value for Money Assessment – balances score card KPIs		KPIs developed and monitored and reviewed monthly

BlueLight Commercial – Achievements 2020/21



Financial grant funding

BlueLight Commercial is funded by a Home Office grant allocation. The grant funding is awarded as a one-year settlement but is part of three-year business plan.

In our first year of operation the funding award was a part year settlement allocation of £3.7m and the company outturned at this position.

The funding allocation for 2021 / 22 is £5m.

Home Office grant funding is available until March 2023 and therefore one of our key priorities for financial year 2021 / 22 is to identify and deliver the future funding model for our organisation beyond the grant funding period. This will ensure that the company becomes sustainable as a standalone organisation after March 2023.

As a not-for-profit organisation any income that the company generates by developing the customer base or charging for services such as analytical expertise can be re-invested into the future structure of the company.

Key issues & risks

Risk management is co-ordinated at both strategic and operational levels.

The Audit Committee provides the scrutiny of the overall system of risk management and reviews the risk register at a strategic level to ensure the effectiveness of mitigating actions with regularity.

Key operational risks and associated mitigating actions are reviewed by the Senior Leadership Team. A Risk Register is in place with cyclical review. Our risk management practices are aligned to the guidance and main principles of HM Treasury's Orange Book.

The key issues and risks to delivering our objectives at a strategic level are:

- Organisational capacity, capability & competence: Capacity, capability or competence of people employed by BlueLight Commercial is not of an appropriate level to deliver.
- Errors & omissions: Inappropriate or erroneous advice given to stakeholder/s and/or national procurement activity proves to be ineffective.
- Supply chain failure: Supply chain members fail or performance not satisfactory.
- Business continuity: Loss of critical individual within senior leadership team /key personnel business continuity.

Report on sustainability, ethics and values

Creating a more Sustainable Future

It is widely recognised that there is a responsibility to ensure that all procurement activity is conducted in a sustainable and ethical manner, that protects the environment, workers' rights, prioritises individuals' mental and physical wellbeing, and places these key areas of importance at the centre of all decision making and procurement processes.

To ensure social value is comprehensively embedded throughout all procurement activity and decision-making we have pioneered a Supplier Social Value Action Planning Tool. The tool helps potential suppliers respond to the social value considerations which are increasingly being asked for by blue light services when awarding contracts. We have already helped over 500 businesses make use of the tool to help them better understand their supply chains and their economic, social, and environmental impact. The planning tool also acts as a mechanism for improved supplier management and sustainability impact reporting by gathering the data from the supplier action plans to identify how best to support existing and potential future suppliers. Information ascertained from the tool will drive changes to strategy, process and procedures and ensure that new and innovative ways of working for procurement professionals and operational colleagues are adopted nationally and, most importantly, create additional value to the communities that we serve.

Our primary focus for social value during 2021/22 is to refine, implement and embed social value within organisational processes to demonstrate positive societal contributions through adoption of best practice tools and techniques.

We are working with the National Police Chief's Council (NPCC) and Association of Police and Crime Commissioners (APCC) to develop a strategy to mitigate the impact on climate change and putting plans in place to meet the governmental 2030 Net Zero Carbon targets.

Supply Chain and Ethical Standards

Good commercial practice is critical to the delivery of public goods and services. We ensure that all procurement activity is undertaken in line with The Public Contract Regulations 2015 and in an open, transparent, non-discriminatory and proportionate manner. We ensure that we have an appropriate balance between quality and cost when evaluating suppliers' bids.

We have developed policies to ensure a consistent framework for operating and to ensure that any breaches to our code of conduct can be raised and actioned:

- Anti-Bribery Policy
- Equality, Diversity & Inclusion Policy
- Sustainability Policy
- Whistleblowing Policy

Information Security Procedures

BlueLight Commercial data and information handling procedures comply with statutory and regulatory requirements.

During 2020/21 there have been no material breaches and no incidents reportable to the Information Commissioner's Office.

A Privacy Programme of work has been established across BlueLight Commercial and its functions. The Privacy Programme will develop and deliver a robust Privacy Management Framework for BlueLight Commercial, comprising of Governance Inventory, data mapping, Privacy-related policies, Privacy-related processes Risk & control Security for Privacy Third party risk management, Incident response Training and awareness Monitoring and auditing to ensure that the General Data Protection Regulation (GDPR) principles are fully embedded into and form part of the fabric of BlueLight Commercial in all that it undertakes.

Fraud, Bribery and Whistleblowing

BlueLight Commercial has policies and guidance in place relation to conflicts of interest, fraud, gifts, hospitality and whistleblowing and to ensure compliance with the Bribery Act 2010.

There have been no reported cases of attempted fraud or whistleblowing in 2020/21.

Governance statement

The Board of Directors has the overall responsibility for reviewing the effectiveness of the governance, risk management and system of internal control for the company.

As Chair of the Board, and in conjunction with the Audit Committee, I conclude that BlueLight Commercial has a sound system of governance, risk management and internal control during the financial year 2020/21.

I make this decision based on the assurance from the Audit Committee, through regular review of the evidence provided by the CEO and through the opinion of the annual audit provided by Barnes Roffe.

Matthew Scott
Chair of the Board

Statement of accounting officer's responsibilities

The Board of Directors has the overall responsibility for the proper conduct and financial operation of the company.

The CEO has been appointed as the Accounting Officer of BlueLight Commercial. The responsibilities of an Accounting Officer are to ensure the monitoring of expenditure through the provision of reports, maintenance and review of proper financial records; evaluate internal management systems, procedure and risks in order to provide recommendations; and to ensure compliance with accounting and tax laws. The CEO is also assigned as the Project Manager in respect of the Home Office Grant allocation.

In preparing the accounting, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;

- Prepare the financial statements on a going concern basis, and
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgement required for determining that it is fair, balanced and understandable.

In line with the Home Office grant conditions, I as the Accounting Officer, and in conjunction with the Audit Committee, have taken all the necessary steps to make myself aware of any relevant audit information and to ensure that the appointed auditors are aware of that information. So far as I am aware, there is no relevant information of which the auditors are unaware.

The Accounting Officer confirms compliance with all of the above requirements.

Lianne Deeming
Chief Executive Officer

Corporate governance report

The purpose of this corporate governance report is to provide an overview of our governance arrangements and to demonstrate how the Board has monitored and overseen the company's operation throughout the reporting period, 1 April 2020 – 31 March 2021.

The management of BlueLight Commercial was directed by the Board which comprises the Chair, PCC Non-Executive Directors, Chief Constable Non-Executive Directors, and an Independent Non-Executive Director. Matthew Scott has been the Non-Executive Chair of the Board throughout the reporting period. A profile of all members of the Board and Company Secretary can be found on our website.

The purpose of the Board is to monitor and oversee the company's operation, ensuring competent and prudent management, sound planning, proper procedures for the maintenance of adequate accounting and other records and systems of internal control, and for compliance with

statutory and regulatory requirement. The Board considers strategic issues and risk. It has overall responsibility for setting the long-term plans for BlueLight Commercial, reviewing and monitoring financial reports. The Terms of Reference of the BlueLight Commercial Board can be found on our website.

The Board also has two sub-committees, an Audit Committee and a Nominations and Remuneration Committee.

There have been 11 Board meetings in the reporting period and 2 Board Strategy Events. The Audit Committee met twice and there were no Nominations and Remuneration Committee meetings due to the infancy of the company, the first being scheduled for June 2021.

Board and Committee attendance is detailed in the table below:

Meeting attendance per Board member of meetings eligible to attend

Director Name	Position	Board Meetings	Strategy Events	Audit Committee	Nom & Rem Committee
Matthew Scott	Non-Executive Director PCC Chair	11/11	2/2	N/A	0/0
Kim McGuinness	Non-Executive Director PCC	5/7	2/2	N/A	N/A
Arfon Jones	Non-Executive Director PCC	6/11	2/2	N/A	N/A
Philip Seccombe	Non-Executive Director PCC	10/11	2/2	1/1	N/A
Jeff Cuthbert	Non-Executive Director PCC	7/11	1/2	N/A	0/0
Patrick Tipping	Non-Executive Director PCC	4/4	0/0	N/A	N/A
David Thompson	Chief Constable, rep of Finance & Co-ordinating Committee of NPCC	7/10	2/2	1/1	N/A
Lee Freeman	Chief Constable, CC rep	9/11	1/2	N/A	N/A
Peter Gillett	Non-Executive Director, rep of Finance & Co-ordinating Committee of NPCC	7/7	0/1	N/A	N/A
Stephen Jupp	Chief Constable, NPCC appointed CC rep	2/4	1/1	N/A	0/0
Heather Benjamin	Non-Executive Director Independent	7/7	2/2	1/1	0/0

There are procedures in place to ensure the company is aligned to The Companies Act 2006 and capture and record conflicts of interest for all Board members. Conflicts of Interest declarations are requested at every Board meeting and are recorded in the minutes. From May 2021 the Declarations of Interest Register will be reviewed in each meeting.

The table below details the declarations of interest for the reporting period, however there were no actual conflicts of interest in the reporting period.

Name of board member	Description of interest	Does the interest relate to the board member, or a person closely connected to the board member?	Is the interest current?
Philip Seccombe	PCC Warwickshire	Philip Seccombe	Yes
Philip Seccombe	Trustee of the Road Safety Trust	Philip Seccombe	Yes
Philip Seccombe	Chairman, Warwickshire Road Safety Partnership	Philip Seccombe	Yes
Philip Seccombe	Chairman, Warwickshire Bluelight Collaboration	Philip Seccombe	Yes
Philip Seccombe	Chairman, Warwickshire Local Criminal Justice Board	Philip Seccombe	Yes
Philip Seccombe	Leader of Warwickshire County Council	Cllr Izzi Seccombe	Yes
Heather Benjamin	Chair Air Ambulances UK	Heather Benjamin	Yes
Heather Benjamin	Non-Executive Director Supply Chain Co-ordination Ltd	Heather Benjamin	Yes
Heather Benjamin	Vice President Walsingham Support Ltd (Honorary Role)	Heather Benjamin	Yes
Kim McGuinness	Trustee of Newcastle Falcons Community Foundation	Kim McGuinness	Yes
David Thompson	None		
Matthew Scott	None		
Stephen Jupp	None		
Lee Freeman	None		
Jeff Cuthbert	None		

Directors' report

For the period ended 31 March 2021

The directors present their report and the financial statements for the period ended 31 March 2021.

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 surplus or deficit of the Company for that period.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the period were:

H V Benjamin (appointed 22 July 2020)

L Freeman (appointed 1 April 2020)

S M Jupp (appointed 18 November 2020)

D Thompson (appointed 16 April 2020)

PCC Gwent (appointed 1 April 2020)

PCC Kent (appointed 13 March 2020)

PCC North Wales (appointed 1 April 2020)

PCC Northumbria (appointed 17 July 2020)

PCC Warwickshire (appointed 1 April 2020)

P Gillett (appointed 13 March 2020 and resigned 18 November 2020)

S M Hancock (appointed 13 March 2020 and resigned 1 April 2020)

PCC Nottinghamshire (appointed 17 July 2020 and resigned on 22 July 2020)

Directors' report (continued)

For the period ended 31 March 2021

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.


Auditors

The auditors, Barnes Roffe LLP were appointed by the directors during the period and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 25/05/2021 and signed on its behalf.



Sir David Thompson QPM

Director

Board sub-committee reports

Audit Committee

The Audit Committee's role is to advise the Board on matters relating to financial performance, to monitor the integrity of the financial statements of the company including its annual reports, interim management statements, and any other formal announcement relating to its financial performance. The Audit Committee reviews and reports to the board of directors on significant financial reporting issues and judgements.

The Audit Committee comprises of three Non-Executive Directors (one being a Chief Constable, one being a Police and Crime Commissioner and the other being an Independent Non-Executive Director) and the Chief Executive Officer. The constitution and terms of reference for the Audit Committee were established in November 2020 and can be found on our website. The Committee met once during the reporting period.

The Chair of the Audit Committee reports upon the business transacted in those meetings to the Board of Directors, and annually submits a report to the Board which summarises the work of the Committee over the fiscal year.

During the reporting period the Committee focused their attention on risk management and internal control, appointment of an external auditor and compliance and governance matters. The first meeting held saw a review and sign off of key policies such as Whistleblowing and Anti-Bribery, the review and recommendation of an external auditor, and commencement of key workstreams to identify a sustainable funding future for the company.

The Audit Committee Annual Report 2020-21 has been presented to the Board of Directors, summarising the business undertaken during the reporting period and providing commentary on the focus for the year ahead. The Audit Committee, as per the terms of reference, will undertake an evaluation of its performance and effectiveness on an annual basis.

Nominations and Remuneration Committee

The Nominations and Remuneration Committee's role is to determine and agree remuneration, obtaining reliable up to date information in other companies of comparable scale, review the appropriateness of the remuneration policy, determine performance related pay schemes, formulate succession planning, identify and mitigate risks and promote the long term success of BlueLight Commercial.

The Nominations and Remuneration Committee comprises of three Non-Executive Directors (one being a Chief Constable, one being a Police and Crime Commissioner and the other being an Independent Non-Executive Director) and the Chief Executive Officer. The constitution and terms of reference for the Nominations and Remuneration Committee were established in November 2020 and can be found on our website.

Due to the infancy of the company, the Committee is yet to hold its first meeting but the business for the inaugural agenda is the future sustainable organisational design, capability, retention, career progression and accreditation.

Like the Audit Committee, the Nominations and Remuneration Committee will report upon the business transacted in those meetings to the Board of Directors, and the Chair will submit a report to the Board on an annual basis which will summarise the work of the Committee over the fiscal year.

Independent Auditors' report to the shareholders of BlueLight Commercial Limited

Opinion

We have audited the financial statements of BlueLight Commercial Limited (the 'Company') for the period ended 31 March 2021, which comprise the Statement of comprehensive income, the Statement of financial position and the related notes, 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 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 March 2021 and of its surplus for the period 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

Independent Auditors' report to the shareholders of BlueLight Commercial Limited (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion 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 period 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.

Matters on which we are required to report by exception

In the 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' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Independent Auditors' report to the shareholders of BlueLight Commercial Limited (continued)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 1, 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.

Auditors' 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 Auditors' 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 these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with law and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussion with directors and other management, and from our commercial knowledge and experience of the relevant sector ;
- The specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, are as follows:
 - i) Companies Act 2006.
 - ii) FRS 102.
 - iii) Tax legislation
 - iiii) Employment legislation
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing supporting evidence where applicable.
- Laws and regulations were communicated within the audit team at the planning meeting, and during the audit as any further laws and regulation were identified. The audit team remained alert to instances of noncompliance throughout the audit;

Independent Auditors' report to the shareholders of BlueLight Commercial Limited (continued)

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Making enquires of management as to where they consider there was susceptibility to fraud and their knowledge of actual suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- Reviewing the financial statements and testing the disclosures against supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected trends or anomalies;
- Inspecting and testing journal entries to identify unusual or unexpected transactions;
- Assessing whether judgement and assumptions made in determining significant accounting estimates, were indicative of management bias; and

The areas that we identified as being susceptible to misstatement through fraud were:

- Management bias in the estimates and judgements made; and
- Management override of controls; and
- Posting of unusual journals or transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

Independent Auditors' report to the shareholders of BlueLight Commercial Limited (continued)

Use of our 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 Auditors' 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.

Mark Hancock

Mark Hancock (Senior statutory auditor)

for and on behalf of

Barnes Roffe LLP

Chartered Accountants & Statutory Auditors

3 Brook Business Centre

Cowley Mill Road

Uxbridge

Middlesex

UB8 2FX

Date: 02 June 2021

Statement of comprehensive income

For the period ended 31 March 2021

	Period ended 31 March 2021 £
Turnover	20,469
Cost of sales	(20,469)
Gross surplus/(deficit)	-
Administrative expenses	(3,313,243)
Other operating income	3,700,000
Operating surplus	386,757
Tax on surplus	(68,200)
Surplus for the financial period	318,557
Total comprehensive income for the period	318,557

The notes on pages 24 to 29 form part of these financial statements.

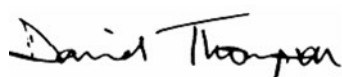
Statement of financial position

For the period ended 31 March 2021

	Note	2021 £
Fixed assets		
Tangible assets	5	51,420
Current assets		
Debtors: amounts falling due within one year	6	307,696
Cash at bank and in hand	7	616,510
		<u>924,206</u>
Creditors: amounts falling due within one year	8	<u>(657,069)</u>
Net current assets		<u>267,137</u>
Total assets less current liabilities		<u>318,557</u>
Net assets		<u><u>318,557</u></u>
Capital and reserves		
Surplus and deficit account		<u>318,557</u>
		<u><u>318,557</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 May 2021.



Sir David Thompson QPM
Director

The notes on pages 24 to 29 form part of these financial statements.

Notes to the financial statements

For the period ended 31 March 2021

1. General information

BlueLight Commercial Limited is a company limited by guarantee, incorporated in England and Wales. The address of the registered office is Lower Ground 5-8 The Sanctuary, Westminster, London, United Kingdom SW1P 3JS.

The company was incorporated on 13 March 2020.

The company specialises in procurement, commercial and shared services on behalf of the emergency services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

Notes to the financial statements

For the period ended 31 March 2021

2. Accounting policies (continued)

2.4 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.5 Taxation

Tax is recognised in surplus or deficit except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment - 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Notes to the financial statements

For the period ended 31 March 2021

2. Accounting policies (continued)

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3. Employees

The average monthly number of employees, including directors, during the period was 20.

The above is calculated as an average of the monthly employee number based on the payroll. At the time of signing off these accounts, the number of employees was 43.

4. Directors' remuneration

	Period ended 31 March 2021 £
Directors' emoluments	12,375
	<hr/>
	12,375
	<hr/> <hr/>

Notes to the financial statements

For the period ended 31 March 2021

5. Tangible fixed assets

	Office equipment £
Cost	
Additions	68,560
At 31 March 2021	<u>68,560</u>
Depreciation	
Charge for the period	17,140
At 31 March 2021	<u>17,140</u>
Net book value	
At 31 March 2021	<u><u>51,420</u></u>

Notes to the financial statements

For the period ended 31 March 2021

6. Debtors

	2021 £
Trade debtors	6,767
Prepayments and accrued income	300,929
	<hr/>
	307,696
	<hr/> <hr/>

7. Cash and cash equivalents

	2021 £
Cash at bank and in hand	616,510
	<hr/>
	616,510
	<hr/> <hr/>

8. Creditors: Amounts falling due within one year

	2021 £
Trade creditors	318,959
Corporation tax	68,200
Other taxation and social security	86,962
Other creditors	37,592
Accruals and deferred income	145,356
	<hr/>
	657,069
	<hr/> <hr/>

9. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

Notes to the financial statements

For the period ended 31 March 2021

10. Pension commitments

The company makes contributions to defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £96,684. Contributions totalling £23,388 were payable to the fund at the Statement of financial position date and are included in creditors.

11. Commitments under operating leases

At 31 March 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £
Not later than 1 year	8,386
Later than 1 year and not later than 5 years	7,988
	<hr/>
	16,374
	<hr/> <hr/>

12. Related party transactions

During the period, the company made purchases from a director amounting to £9,928. At the period end there was a balance outstanding within trade creditors of £697.

13 Controlling party

There is no ultimate controlling party.

Detailed profit and loss account

For the period ended 31 March 2021

	Period ended 31 March 2021 £
Turnover	20,469
Cost of sales	(20,469)
	<hr/>
Gross surplus/(deficit)	-
Other operating income	3,700,000
Less: overheads	
Administration expenses	(3,313,243)
	<hr/>
Operating surplus	386,757
Tax on surplus on ordinary activities	(68,200)
	<hr/>
Surplus for the period	318,557
	<hr/> <hr/>

Glossary

APCC	Association of Police and Crime Commissioners
BLC	BlueLight Commercial
BREXIT	The withdrawal of the United Kingdom from the European Union
CCTV	Closed-circuit Television
CEO	Chief Executive Officer
EU	European Union
FRS	Financial Reporting Council
GDPR	General Data Protection Regulation
HM Treasury	Her Majesty's Treasury
ISAs UK	International Standards on Auditing United Kingdom
KPI's	Key Performance Indicators
LLP	Limited Liability Partnership
NAPCFG	National Airport Policing Commercial and Finance Group
NCA	National Crime Agency
NPCC	National Police Chief's Council
PoIFIG	Police Finance Income Generation
OBC	Original Business Case
PCC	Police and Crime Commissioner
PPE	Personal Protective Equipment
UK	United Kingdom
UN	United Nations



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