

Registered Number: OC411387

CPP FACILITIES LLP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



CPP FACILITIES LLP

PARTNERSHIP INFORMATION

DESIGNATED MEMBERS	The Christie NHS Foundation Trust Synlab UK Limited
REGISTERED NUMBER	OC411387
REGISTERED OFFICE	550 Wilmslow Road Withington Manchester M20 4BX United Kingdom
INDEPENDENT AUDITOR	Deloitte LLP Statutory Auditor United Kingdom

CPP FACILITIES LLP

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CPP FACILITIES LLP
MEMBERS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

The members present their annual report and the audited financial statements for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The principal activity of CPP Facilities LLP is the provision of facilities for pathology analytical services in the United Kingdom. The financial statements have been prepared in accordance with the special provisions applicable to the Partnership subject to the small Limited Liability Partnership regime.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENT

The Partnership has performed in line with the members' expectations for the year. The Partnership continues to be engaged in development activity and is expecting to be successful in the tendering of new contracts.

The designated members consider that the principal key performance indicators relating to the Partnership are turnover and operating profit included in these financial statements. During the year the Partnership had a turnover of £2,970,368 (2017: £2,856,855) and an operating profit of £273,633 (2017: £390,970).

The following table shows certain line items from the Statement of Comprehensive Income for the year ended 31 December 2018 and for the year ended 31 December 2017. Turnover increased by 3.9% due to growth in test volumes, and to a lesser extent a contractual inflationary price increase of 1.1%. However, much of the benefit of the turnover growth was absorbed by an increase in cost of sales resulting in a marginal reduction in gross profit.

During the year the Partnership purchased new analysers and software to improve integration between items of equipment within the laboratory. The investment has resulted in a significant increase in both depreciation and amortisation charge. Overall administrative expenses has increased by 8.3% with the investment in the new equipment and software accounting for a large part of the increase.

The increase in cost of sales and the investment in software integration has resulted in a significant decrease of operating profit from £391k to £274k.

	2018 £'000	2017 £'000
Turnover	2,970	2,857
Cost of sales	<u>(1,167)</u>	<u>(1,051)</u>
Gross profit	1,803	1,806
Administrative expenses	(1,533)	(1,415)
Other Operating Income	<u>4</u>	<u>-</u>
Operating profit	274	391

BREXIT

Following the referendum held on 23 June 2016 and the UK's intention to leave the EU there are risks and uncertainties to the Partnership. The Partnership's key business partner is the National Health Service, which is funded by central government and therefore sales demand is expected to be largely unaffected by the decision to leave the EU. Any potential weakening in the value of pounds sterling is expected to have minimal impact on the Partnership. This is due to the Partnership transacting a very low volume of purchases in foreign currencies.

CPP FACILITIES LLP
MEMBERS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

DESIGNATED MEMBERS

Synlab UK Limited and The Christie NHS Foundation Trust were designated members of the Partnership throughout the year.

MEMBERS' CAPITAL AND INTERESTS

The level and timing of drawings is decided by the Partnership's Members Board after taking into account the Partnership's cash requirements for operating and investment activities. Unallocated profits are shown in 'other reserves' in the statement of changes in members' interests on page 9. The level of members' capital is defined in the Members' agreement that was updated on 1 June 2016.

GOING CONCERN

The members have considered the future profitability of the Partnership and its ability to continue as a going concern and have prepared profit and cash flow forecasts into the future. The directors have obtained a letter of support from Synlab Labco S.A, the Partnership's intermediate controlling party, confirming financial support for a period of at least 12 months from the date of approval of these financial statements. Based on these projections and the obtained letter of support the members are satisfied that, for the foreseeable future, the Partnership can meet its projected working capital requirements. Consequently the financial statements have been prepared on a going concern basis.

FUTURE DEVELOPMENTS

There are no future developments that will affect the operations of the Partnership.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are members at the time when this members' Report is approved has confirmed that:

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

This confirmation is given and should be interpreted in accordance with section 418 of the Companies Act 2006.

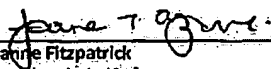
AUDITOR

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.


Thomas Evans
Signed on behalf of:
Synlab UK Limited
Designated Member

Date: 26 September 2019


Joanne Fitzpatrick
Signed on behalf of:
The Christie NHS Foundation Trust
Designated Member

Date: 26 September 2019

CPP FACILITIES LLP

**MEMBERS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The financial statements are required by law to give a true and fair view of the state of affairs of the Partnership and of the Partnership's profit or loss for that year. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership continues in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships.

They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for the maintenance and integrity of the corporate and financial information included on the Partnership's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CPP FACILITIES LLP
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

Independent auditor's report to the members of CPP Facilities LLP

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of CPP Facilities LLP (the 'limited liability partnership'):

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement financial position;
- the statement of changes in members' interests; and
- the related notes 1 to 19.

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".

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 limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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

We are required by ISAs (UK) to report in respect of the following matters where:

- the members' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the limited liability partnership's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

CPP FACILITIES LLP

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

Other information

The members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

Responsibilities of members

As explained more fully in the members' responsibilities statement, 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 limited liability partnership'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 limited liability partnership 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 these financial statements.

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

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited liability partnerships we are required to report in respect of the matters 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 limited liability partnership financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the members were not entitled to prepare financial statements in accordance with the small limited liability regime.

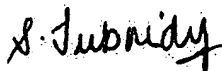
We have nothing to report in respect of these matters.

CPP FACILITIES LLP

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

Use of our report

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.



Signature

Sara Tubridy (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London (UK)

Date: 26 September 2019

CPP FACILITIES LLP

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 £'000	2017 £'000
Turnover	4	2,970	2,857
Cost of sales		(1,167)	(1,051)
Gross profit		1,803	1,806
Administrative expenses	5	(1,533)	(1,415)
Other operating income	4	-	-
Operating profit		274	391
Interest payable and similar charges	9	(3)	(9)
Profit for the financial year		271	382
Other comprehensive income for the year net of tax		-	-
Profit for the financial year available for discretionary division among members		271	382

Turnover and operating profit are all derived from continuing operations.

The notes on pages 10 to 18 form part of these financial statements.

CPP FACILITIES LLP

**REGISTERED NUMBER: OC411387
STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2018**

	Note	2018 £'000	2017 £'000
Non-current assets			
Intangible assets	10	262	44
Tangible fixed assets	11	418	317
		<u>680</u>	<u>361</u>
Current assets			
Stocks	12	162	159
Debtors: amounts due within one year	13	355	613
Cash at bank and in hand	14	758	386
		<u>1,275</u>	<u>1,158</u>
Current liabilities			
Creditors: amounts due within one year	15	(1,542)	(1,377)
Net current liabilities		<u>(267)</u>	<u>(219)</u>
Total assets less current liabilities		<u>413</u>	<u>142</u>
Net assets		<u>413</u>	<u>142</u>
Represented by:			
Members' other interests			
Other reserves		<u>413</u>	<u>142</u>

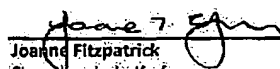
The notes on pages 10 to 18 form part of these financial statements.

The Partnership is taking the small limited liabilities partnership regime exceptions.

The financial statements of CPP Facilities LLP (registered number: OC411387) were approved by the members and authorised for issue. They were signed on its behalf by:


Thomas Evans
Signed on behalf of:
Synlab UK Limited
Designated Member

Date: 26 September 2019


Joanne Fitzpatrick
Signed on behalf of:
The Christie NHS Foundation Trust
Designated Member

Date: 26 September 2019

CPP FACILITIES LLP

**STATEMENT OF CHANGES IN MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Other Reserve s £ '000
Members' Interests at 1 January 2017	360
Profit for the financial period available for discretionary division among members	382
Drawings	(600)
Members' interests at 31 December 2017	142
Profit for the financial year available for discretionary division among members	271
Members' interests at 31 December 2018	413

The notes on pages 10 to 18 form part of these financial statements.

CPP FACILITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. GENERAL INFORMATION

CPP Facilities LLP (the Partnership) is registered in England and Wales under the Limited Liability Partnership Act 2000. The address of the registered office is given on the Partnership information page. The nature of the Partnership's operations and its principal activities are set out in the members' report.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnerships.

These financial statements are presented in pound sterling because that is the currency of the primary economic environment in which the Partnership operates.

CPP Facilities LLP meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to the presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel. The disclosure exemption has been taken on the basis that the intermediate controlling party, Synlab Bondco Plc, is an entity that prepares consolidated financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been consistently applied.

(a) Going Concern

The members have considered the future profitability of the Partnership and its ability to continue as a going concern and have prepared profit and cash flow forecasts into the future. The directors have obtained a letter of support from Synlab Labco S.A, the Partnership's intermediate controlling party, confirming financial support for a period of at least 12 months from the date of approval of these financial statements. Based on these projections and the obtained letter of support the members are satisfied that, for the foreseeable future, the Partnership can meet its projected working capital requirements. Consequently the financial statements have been prepared on a going concern basis.

(b) Revenue recognition

The Partnership will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework:

- Identify the contract(s) with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

(c) Borrowing Costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

CPP FACILITIES LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

SIGNIFICANT ACCOUNTING POLICIES (continued):

(d) Retirement Benefit Schemes

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income 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 Partnership in independently administered funds.

(e) Taxation

The taxation payable on the Partnership's profits is the personal liability of the members, although payment of such liabilities is administered by the Partnership on behalf of the members. Consequently, neither Partnership taxation nor related deferred taxation are accounted for in the financial statements.

(f) Computer Software

Computer software is measured initially at purchase cost and is amortised, using the straight line method, on the following basis:

Software	10% - 33%
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(g) Tangible Fixed Assets

Assets are stated in the Statement of Financial Position at their historic cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method, on the following basis:

Leasehold improvements	Over the life of the lease
Plant and equipment	10% - 33%

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting year, with the effect of any changes in estimate accounted for on a prospective basis.

A tangible fixed asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrapping of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Comprehensive Income.

(h) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, those overheads that have been incurred in bringing the stocks to their present location and condition. Cost is calculated using the FIFO method.

CPP FACILITIES LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

SIGNIFICANT ACCOUNTING POLICIES (continued):

(i) Debtors

Short term debtors are measured at transaction price, less any impairment.

(j) Cash At Bank And In Hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

(k) Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are measured at transaction price.

(l) Financial Instruments

Financial assets and financial liabilities are recognised when the Partnership becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value and are subject to impairment review on an annual basis.

(m) Change in accounting policies

IFRS 9 Financial Instruments

From 1 January 2018 the Partnership has adopted IFRS 9 Financial instruments. The main area of focus for the Partnership is the impairment of trade receivables. The Partnership uses a simplified and consistent approach for measuring expected credit losses. Based on this assessment the impact of credit losses recognised under IFRS 9 is not materially different to the credit losses recognised under IAS 39.

IFRS 15 Revenue from contract with customers

The Partnership has adopted IFRS 15 Revenue from contract with customers from 1 January 2018. This has resulted in no material impact to the financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Partnership's accounting policies, which are described in note 2, the members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Critical accounting estimates

Revenue Recognition

A key area of estimation in respect of revenue is the timing of recognition, specifically the recognition and deferral of NHS contract revenue which is billed in advance and subsequently amended based on actual activity.

CPP FACILITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. TURNOVER

The whole of the turnover is attributable to the provision of facilities to pathology services at The Christie NHS Foundation Trust and other NHS parties within the United Kingdom.

5. PROFIT FOR THE FINANCIAL YEAR

Profit for the year has been arrived at after charging:

	2018 £'000	2017 £'000
Staff costs	261	255
Amortisation of intangible assets	44	3
Depreciation of tangible fixed assets	110	98
Inventory recognised as an expense	964	861
Operating leases	<u>228</u>	<u>228</u>

6. AUDITOR'S REMUNERATION

	2018 £'000	2017 £'000
Fees payable for the audit of the Partnership's financial statements	<u>10</u>	<u>12</u>

7. MEMBERS

	2018	2017
The average number of members during the year	<u>2</u>	<u>2</u>

8. STAFF COSTS

The average monthly number of employees was:

	2018	2017
Administration	<u>5</u>	<u>5</u>

The aggregate remuneration comprised:

	2018 £'000	2017 £'000
Wages and salaries	238	235
Social security costs	17	19
Other pension costs	<u>6</u>	<u>1</u>
	<u>261</u>	<u>255</u>

9. INTEREST PAYABLE AND SIMILAR CHARGES

	2018 £'000	2017 £'000
Interest payable to group companies	<u>3</u>	<u>9</u>

CPP FACILITIES LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

10. INTANGIBLE ASSETS

	Computer software £'000
Cost	
At 1 January 2018	51
Transfer from group Company	171
Additions	91
At 31 December 2018	<u>313</u>
Amortisation	
At 1 January 2018	7
Charge for the year	44
At 31 December 2018	<u>51</u>
Carrying amount	
At 31 December 2018	<u>262</u>
At 31 December 2017	<u>44</u>

On 1st April 2018 the Company purchased computer integration software from a related party, IPP Facilities LLP. The software was at its carrying value of £170,801, with no gain or loss recognised.

CPP FACILITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. TANGIBLE FIXED ASSETS

	Leasehold buildings and improvements £'000	Equipment £'000	Total £'000
Cost			
At 1 January 2018	60	417	477
Additions	-	211	211
At 31 December 2018	<u>60</u>	<u>628</u>	<u>688</u>
Accumulated Depreciation			
At 1 January 2018	16	144	160
Charge for the year	10	100	110
At 31 December 2018	<u>26</u>	<u>244</u>	<u>270</u>
Carrying amount			
At 31 December 2018	<u>34</u>	<u>384</u>	<u>418</u>
At 31 December 2017	<u>44</u>	<u>273</u>	<u>317</u>

12. STOCKS

	2018 £'000	2017 £'000
Consumables and reagents	<u>162</u>	<u>159</u>

CPP FACILITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

13. DEBTORS

	2018 £'000	2017 £'000
Trade debtors	112	187
Amounts due from related party	46	279
Prepayments and accrued income	191	141
Other debtors	6	6
	<u>355</u>	<u>613</u>

The amounts due from related party are repayable on demand. No interest has been charged on the amount owed.

14. CASH AT BANK AND IN HAND

	2018 £'000	2017 £'000
Cash at bank	<u>758</u>	<u>386</u>

15. CREDITORS

<i>Amounts falling due within one year</i>	2018 £'000	2017 £'000
Trade creditors	165	106
Taxation and security	8	25
Amounts due to related party	798	837
Other creditors	1	2
Accruals and deferred income	570	407
	<u>1,542</u>	<u>1,377</u>

The amounts due to related party are repayable on demand. No interest has been charged on the amount owed.

16. RETIREMENT BENEFIT SCHEME

NHS pension scheme

Past and present employees are covered by the provisions of the NHS pension scheme. The scheme is an unfunded, defined benefit scheme that covers bodies, such as this Partnership, which are allowed under the direction of the Secretary of State in England & Wales. The scheme is not designed to be run in a way that would enable the participating bodies to identify their share of the underlying scheme assets and liabilities. Therefore the scheme is accounted for as if it were a defined contribution scheme: the cost to the Partnership of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting year. Employer's pension cost contributions are charged to the operating expenses when they become due. The employer contribution rate is determined by the Department of Health and Social Care. Any deficit in funding identified during the tri-annual valuation may result in an increase to future employer contribution rates and the Partnership.

CPP FACILITIES LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

RETIRED BENEFIT SCHEME (continued):

Defined contribution scheme

The Partnership operates a defined contribution retirement benefit scheme for all qualifying employees. The assets of the scheme are held separately from those of the Partnership in funds under the control of trustees. Where there are employees who leave the schemes prior to vesting fully in the contributions, the contributions payable by the Partnership are reduced by the amount of forfeited contributions.

The total cost charged to the Statement of Comprehensive Income of £6,371 (2017: £980) represents contributions payable to these schemes by the Partnership at rates specified in the rules of the plans. As at 31 December 2018, contributions of £919 (2017: £Nil) due in respect of the current reporting year had not been paid over to the schemes and are included in other creditors.

17. LEASE COMMITMENTS

Lease payments under operating leases recognised as an expense in the year are as follows:

	2018 £'000	2017 £'000
Leasehold buildings	<u>228</u>	<u>228</u>

At the Statement of Financial Position date, the Partnership had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £'000	2017 £'000
Within one year	228	228
Between two and five years	913	911
After five years	95	323
	<u>1,236</u>	<u>1,462</u>

The lease commitment is a non-cancellable property lease which expires in May 2024. There are no contingent rents, break clauses or special conditions attached to the lease. The rentals are paid to the Christie Pathology Partnership, a related party and the commitments and annual charges are included in the related party transactions (note 18).

CPP FACILITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

18. RELATED PARTY TRANSACTIONS

Trading transactions

During the year, the Partnership entered in to the following trading transactions with related parties:

Sale of services

	2018 £'000	2017 £'000
The Christie NHS Foundation Trust	<u>2,493</u>	<u>2,400</u>

Receipt of Services

	2018 £'000	2017 £'000
The Christie NHS Foundation Trust	<u>766</u>	<u>724</u>

The following amounts were outstanding at the Statement of Financial Position date:

Amounts owed by

	2018 £'000	2017 £'000
The Christie NHS Foundation Trust	<u>47</u>	<u>279</u>

Amounts owed to

	2018 £'000	2017 £'000
The Christie NHS Foundation Trust	<u>523</u>	<u>306</u>

19. CONTROLLING PARTY

In the opinion of the partners', the Partnership's ultimate parent company and ultimate controlling party is Ephios Luxembourg Sarl, a company registered in Luxembourg. The group is ultimately owned by funds, advised by Cliven Capital Management (V) General Partner Limited, authorised and regulated by the Guernsey Financial Services Commission.

The parent undertaking of the largest group, which includes the Partnership and for which group accounts are prepared, is Synlab Limited, a company whose registered address is, 2 Portland Street, London W1H 6DU.

The parent undertaking of the smallest such group is Synlab Bondco Plc, a company whose registered address is 2 Portland Street, London W1H 6DU. Copies of the group financial statements of Synlab Limited and Synlab Bondco Plc are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

The Partnership's immediate controlling party is Synlab UK Limited, a company whose registered address is 2 Portland Street, London W1H 6DU.