

Fairfax Storage Limited

Report and Financial Statements

Year Ended

31 December 2016

Company Number 06331127

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Fairfax Storage Limited

Company Information

| | |
|----------------------------|---|
| Directors | R S Pringle S D A Street |
| Registered number | 06331127 |
| Registered office | Otley Road Harrogate North Yorkshire HG3 1PY |
| Independent auditor | BDO LLP Kings Wharf 20 - 30 Kings Road Reading Berkshire RG1 3EX |

Fairfax Storage Limited

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Fairfax Storage Limited

Directors' Report For the Year Ended 31 December 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Principal activity

The company is expected to continue in its normal activity as a company sub-letting leased property to other group companies.

Results and dividends

The profit for the year, after taxation, amounted to £18,540 (2015 - £10,997).

The directors do not recommend and have not paid a dividend for the year (2015 - £nil).

Directors

The directors who served during the year were:

R S Pringle
S D A Street

Strategic report

Advantage has been taken of the exemption under section 4148 of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 from the requirement to prepare a strategic report.

Disclosure of information to auditor

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

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps necessary in order to make themselves aware of any relevant audit information and to establish that the auditors are made aware of that information.

Auditor

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

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 26th SEPTEMBER 2017 and signed on its behalf.



R S Pringle
Director

Fairfax Storage Limited

Directors' Responsibilities Statement For the Year Ended 31 December 2016

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 profit or loss 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 judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

Fairfax Storage Limited

Independent Auditor's Report to the Members of Fairfax Storage Limited

We have audited the financial statements of Fairfax Storage Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Fairfax Storage Limited

Independent Auditor's Report to the Members of Fairfax Storage Limited

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 where 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;
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Nick Gibb (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
Reading
United Kingdom

29 September 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Fairfax Storage Limited

Statement of Comprehensive Income For the Year Ended 31 December 2016

| | Note | 2016 £ | 2015 £ |
|---|------|----------------|----------------|
| Turnover | 4 | 244,610 | 289,462 |
| Cost of sales | | (116,500) | (116,500) |
| Gross profit | | 128,110 | 172,962 |
| Administrative expenses | | (116,462) | (159,178) |
| Operating profit | 5 | 11,648 | 13,784 |
| Tax on profit | 7 | 6,892 | (2,787) |
| Profit for the year attributable to the owners of the parent company | | 18,540 | 10,997 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year attributable to the owners of the parent company | | 18,540 | 10,997 |

The notes on pages 8 to 13 form part of these financial statements.

Fairfax Storage Limited
Registered number:06331127

Statement of Financial Position
As at 31 December 2016

| | Note | 2016 £ | 2015 £ |
|--|------|----------------|----------------|
| Current assets | | | |
| Debtors: amounts falling due within one year | 8 | 182,185 | 167,392 |
| | | <u>182,185</u> | <u>167,392</u> |
| Creditors: amounts falling due within one year | 9 | (3,840) | (7,587) |
| | | <u>178,345</u> | <u>159,805</u> |
| Net current assets | | <u>178,345</u> | <u>159,805</u> |
| Total assets less current liabilities | | <u>178,345</u> | <u>159,805</u> |
| Net assets | | <u>178,345</u> | <u>159,805</u> |
| Capital and reserves | | | |
| Called up share capital | 10 | 1 | 1 |
| Profit and loss account | 11 | 178,344 | 159,804 |
| Equity attributable to the owners of the parent company | | <u>178,345</u> | <u>159,805</u> |

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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

26th SEPTEMBER 2017



R S Pringle
Director

The notes on pages 8 to 13 form part of these financial statements.

Fairfax Storage Limited

Statement of Changes in Equity For the Year Ended 31 December 2016

| | Called up share capital | Profit and loss account | Total equity |
|--|----------------------------|----------------------------|----------------|
| | £ | £ | £ |
| At 1 January 2016 | 1 | 159,804 | 159,805 |
| Comprehensive income for the year | | | |
| Profit for the year | - | 18,540 | 18,540 |
| Total comprehensive income for the year | - | 18,540 | 18,540 |
| At 31 December 2016 | 1 | 178,344 | 178,345 |

Statement of Changes in Equity For the Year Ended 31 December 2015

| | Called up share capital | Profit and loss account | Total equity |
|--|----------------------------|----------------------------|----------------|
| | £ | £ | £ |
| At 1 January 2015 | 1 | 148,807 | 148,808 |
| Comprehensive income for the year | | | |
| Profit for the year | - | 10,997 | 10,997 |
| Total comprehensive income for the year | - | 10,997 | 10,997 |
| At 31 December 2015 | 1 | 159,804 | 159,805 |

The notes on pages 8 to 13 form part of these financial statements.

Fairfax Storage Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

1. General information

Fairfax Storage Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activity is expected to continue as sub-letting leased property to other group companies.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Laboratory Corporation of America Holdings Inc as at 31 December 2016 and these financial statements may be obtained from Laboratory Corporation of America Holdings Inc, 358, South Main Street, Burlington, North Carolina, 27215, USA..

2.3 Going concern

The financial statements have been prepared on a going concern basis. The company's performance is satisfactory given its place and function within the group. The company continues to be supported financially by its immediate parent and is intended to be for the foreseeable future. It is therefore considered appropriate to continue to apply the going concern basis for accounting purposes.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured. Turnover is recognised in respect of the recharge of property rental costs and other administrative expenses incurred during the period, calculated using an agreed mark-up rate.

Fairfax Storage Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.5 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.

2.6 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities including trade and other debtors and creditors.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

2.7 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.

2.8 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.9 Taxation

Tax is recognised in the Statement of Comprehensive Income, 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Fairfax Storage Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgement:

Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

4. Turnover

The whole of the turnover is attributable to the principal activity of the company and arises solely within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

| | 2016 £ | 2015 £ |
|-------------------------------|-----------|-----------|
| Other operating lease rentals | 116,500 | 116,500 |

The audit fee of the company is borne by other group companies.

6. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2015 - £Nil).

Directors of the company are remunerated by other group companies.

7. Taxation

| | 2016 £ | 2015 £ |
|--|----------------|--------------|
| Corporation tax | | |
| Current tax on profits for the year | - | 2,787 |
| Adjustments in respect of previous periods | (6,892) | - |
| Total current tax | (6,892) | 2,787 |
| Taxation (credit)/charge on ordinary activities | (6,892) | 2,787 |

Fairfax Storage Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

| | 2016 £ | 2015 £ |
|---|----------------|--------------|
| Profit on ordinary activities before tax | 11,648 | 13,784 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%) | 2,330 | 2,791 |
| Effects of: | | |
| Group relief claimed | (2,330) | - |
| Marginal relief | - | (4) |
| Adjustments to tax charge in respect of prior periods | (6,892) | - |
| Total tax (credit)/charge for the year | (6,892) | 2,787 |

Factors that may affect future tax charges

Changes to the UK Corporation tax rates were substantively enacted as part of the Finance Bill 2015-2016 on 26 October 2015, reducing the effective tax rate from 20% to 19% from April 2017, with a further reduction to 18% from April 2020.

8. Debtors

| | 2016 £ | 2015 £ |
|------------------------------------|----------------|----------------|
| Amounts owed by group undertakings | 162,770 | 148,975 |
| Prepayments and accrued income | 19,415 | 18,417 |
| | 182,185 | 167,392 |

All amounts shown under debtors fall due for payment within one year.

All amounts owed by group undertakings are unsecured, interest free and repayable upon demand.

The impairment loss recognised in the company profit or loss for the year in respect of bad and doubtful trade debtors was £nil (2015 - £nil).

Fairfax Storage Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

9. Creditors: Amounts falling due within one year

| | 2016 £ | 2015 £ |
|------------------------------------|--------------|--------------|
| Amounts owed to group undertakings | 3,840 | 695 |
| Group relief payable | - | 6,892 |
| | <u>3,840</u> | <u>7,587</u> |

10. Share capital

| | 2016 £ | 2015 £ |
|---|-----------|-----------|
| Shares classified as equity | | |
| Allotted, called up and fully paid | | |
| 1 Ordinary share of £1 | <u>1</u> | <u>1</u> |

11. Reserves

Share capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

Profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

12. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

| | 2016 £ | 2015 £ |
|--|------------------|------------------|
| Not later than 1 year | 120,127 | 116,500 |
| Later than 1 year and not later than 5 years | 469,627 | 466,000 |
| Later than 5 years | 1,268,685 | 1,383,437 |
| | <u>1,858,439</u> | <u>1,965,937</u> |

Fairfax Storage Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

13. Related party transactions

The company has taken advantage of the exemption conferred by IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

14. Controlling party

The ultimate parent undertaking is Laboratory Corporation of America Holdings Inc, a company incorporated in the United States of America. Laboratory Corporation of America Holdings Inc is the smallest and largest group in which the results of the company are consolidated. Copies of the group financial statements can be obtained from the registered office at 358 South Main Street, Burlington, North Carolina, 27215, USA.