

Limited Liability Partnership registration number OC378879 (England and Wales)

CYGNET (DM) LLP
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THURSDAY



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COMPANIES HOUSE

CYGNET (DM) LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members	Cygnnet (OE) Limited Cygnnet (DH) Limited Cygnnet Health Care Limited
Limited liability partnership number	OC378879
Registered office	Nepicar House London Road Wrotham Heath Sevenoaks Kent England TN15 7RS
Accountants	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

CYGNET (DM) LLP

CONTENTS

	Page(s)
Members' report	1 - 3
Income statement	4
Statement of financial position	5 - 6
Reconciliation of members' interests	7
Notes to the financial statements	8 - 15

CYGNET (DM) LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The members present their annual report and audited financial statements for the year ended 31 December 2022.

Principal activities

During the year the company did not trade.

Members' drawings, contributions and repayments

The members' drawing policy allows each member to draw a proportion of their profit share based on initial contributions, subject to the cash requirements of the business.

A member's capital requirement is linked to their share of profit and the financing requirement of the limited liability partnership. There is no opportunity for appreciation of the capital subscribed. Just as incoming members introduce their capital at "par", so the retiring members are repaid their capital at "par".

Designated members

The designated members who held office during the year and up to the date of signature of the financial statements were as follows:

Cygnnet (OE) Limited
Cygnnet (DH) Limited
Cygnnet Health Care Limited

Business review

The results for the year ended 31 December 2022 and 31 December 2021 are set out in the Income statement.

In 2022, Cygnnet (DM) LLP (the "LLP") received revenue of £nil (2021: £28k), and had operating costs of £nil (2021: £28k). The decrease is a result of management services of the company being moved to other group companies.

The LLP generated £nil result after tax (2021: £nil).

Cygnnet (DM) LLP had net assets of £16k (2021: £16k) at 31 December 2022.

Qualifying third party indemnity provisions

The limited liability partnership has made qualifying third party indemnity provisions for the benefit of its members during the year. These provisions remain in force at the reporting date.

Future developments

The company currently does not trade.

CYGNET (DM) LLP

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of members' responsibilities

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

Company law, as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations"), requires the members to prepare financial statements for each financial year. Under that law the members have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law, as applied to qualifying partnerships, the members 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 qualifying partnership and of the profit or loss of the qualifying partnership for that period. In preparing the financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 qualifying partnership will continue in business.

The members are also responsible for safeguarding the assets of the qualifying partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the qualifying partnership's transactions and disclose with reasonable accuracy at any time the financial position of the qualifying partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships.

Parent Guarantee

In accordance with section 476 the members have not required the company to obtain an audit of its accounts for the year ended 31 December 2022. This is due to its parent company, Cygnet Health UK Limited, providing a parent company guarantee over the company. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of accounts.

Basis of going concern

The financial statements have been prepared on a going concern basis which the members believe to be appropriate for the reasons set out below.


The members have received a letter from Cygnet Health UK Limited indicating their intention to: (1) continue to provide the financial resources necessary to support the company in meeting its liabilities as and when they fall due for a period of at least one year from the date of signing of the company's financial statements for the year ended 31 December 2022; and (2) not to require settlement of outstanding intercompany balances to the extent that money is not, at the relevant settlement date, otherwise available to the company to meet such liabilities for a period of at least one year from the date of signing of the company's financial statements for the year ended 31 December 2022. As with any company placing reliance on other group entities for financial support, the members acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so and they have reviewed the consolidated group cash flow forecasts for the entity providing the letter of support extending 12 months from signing date and have concluded there are adequate resources to support the company as a going concern as well as all other subsidiaries to whom support is being provided for this period.

CYGNET (DM) LLP

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The members report was approved by the members on 13 September 2023 and signed on behalf by



.....
Dr Antonio Romero
on behalf of
Cynet Health Care Limited
Designated Member

CYGNET (DM) LLP

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Revenue		-	28
Operating expenses		-	(28)
		<hr/>	<hr/>
Operating profit	3	-	-
		<hr/>	<hr/>
Result for the financial year before members' remuneration and results from shares available for discretionary division among members		-	-
		<hr/>	<hr/>

The income statement has been prepared on the basis that all operations are continuing operations.

The accompanying notes on pages 8 to 15 form part of the financial statements.

CYGNET (DM) LLP

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Current assets			
Trade and other receivables	7	6,086	5,624
Cash and cash equivalents		89	36
		<u>6,175</u>	<u>5,660</u>
Current liabilities			
Trade and other payables	8	6,159	5,644
		<u>6,159</u>	<u>5,644</u>
Net current assets and net assets attributable to members		<u>16</u>	<u>16</u>
Represented by:			
Members' other interests			
Members' capital classified as equity		(145)	(145)
Other reserves classified as equity		161	161
		<u>16</u>	<u>16</u>
Total members' interests			
Members' other interests		<u>16</u>	<u>16</u>

For the financial year ended 31 December 2022 the limited liability partnership was entitled to exemption from audit under section 480 of the Companies Act 2006 (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) relating to dormant limited liability partnerships.

The members acknowledge their responsibilities for complying with the requirements of the Act (as applied to limited liability partnerships) with respect to accounting records and the preparation of accounts.

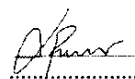
These financial statements have been prepared in accordance with the provisions applicable to limited liability partnerships subject to the small limited liability partnerships regime.

CYGNET (DM) LLP

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2022

The financial statements were approved by the members and authorised for issue on 13 September 2023 and are signed on their behalf by:


.....

Dr Antonio Romero

on behalf of:

Cygnnet Health Care Limited

Designated member

Registration No. OC378879

The accompanying notes on pages 8 to 15 form part of the financial statements.

CYGNET (DM) LLP

RECONCILIATION OF MEMBERS' INTERESTS

FOR THE YEAR ENDED 31 DECEMBER 2022

<i>Current financial year</i>	EQUITY		TOTAL
	Members' other interests		
	Members' capital (classified as equity)	Other reserves	Total
	£'000	£'000	£'000
Members' interests at 1 January 2022	(145)	161	16
Result for the financial year available for discretionary division among members	-	-	-
Members' interests after result for the year	(145)	161	16
Members' interests at 31 December 2022	(145)	161	16

<i>Prior financial year</i>	EQUITY		TOTAL
	Members' other interests		
	Members' capital (classified as equity)	Other reserves	Total
	£'000	£'000	£'000
Members' interests at 1 January 2021	(145)	161	16
Result for the financial year available for discretionary division among members	-	-	-
Members' interests after result for the year	(145)	161	16
Members' interests at 31 December 2021	(145)	161	16

CYGNET (DM) LLP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Limited liability partnership information

Cygnnet (DM) LLP is a limited liability partnership incorporated and domiciled in the United Kingdom. The registered office is Nepicar House, London Road, Wrotham Heath, Sevenoaks, Kent, England, TN15 7RS.

The limited liability partnership's principal activities are disclosed in the Members' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in January 2017, together with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

Where relevant, the LLP has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64 (o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Cygnnet Health UK Limited in which the entity is consolidated;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in 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; and
- the requirements of IFRS 7 Financial Instruments: Disclosures.

Where required, equivalent disclosures are given in the group financial statements of Cygnnet Health UK Limited. The group financial statements of Cygnnet Health UK Limited are available to the public and can be obtained as set out in note 12.

The financial statements are prepared in sterling, which is the functional currency of the limited liability partnership. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

CYGNET (DM) LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.2 Going concern

The financial statements have been prepared on a going concern basis which the members believe to be appropriate for the reasons set out below.

The members have received a letter from Cygnet Health UK Limited indicating their intention to: (1) continue to provide the financial resources necessary to support the LLP in meeting its liabilities as and when they fall due for a period of at least one year from the date of signing of the company's financial statements for the year ended 31 December 2022; and (2) not to require settlement of outstanding intercompany balances to the extent that money is not, at the relevant settlement date, otherwise available to the company to meet such liabilities for a period of at least one year from the date of signing of the company's financial statements for the year ended 31 December 2022. As with any company placing reliance on other group entities for financial support, the members acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so and they have reviewed the consolidated group cash flow forecasts for the entity providing the letter of support extending 12 months from signing date and have concluded there are adequate resources to support the company as a going concern as well as all other subsidiaries to whom support is being provided for this period.

1.3 Members' participating interests

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with IAS 32. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

CYGNET (DM) LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment and are recognised net within 'other operating income' in the income statement.

Depreciation is charged to the income statement to write off the cost less the estimated residual value on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Historically the residual value for freehold buildings has been zero but in 2020 this was revised to be the indexed base cost of the property. Freehold land is not depreciated. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the LLP will obtain ownership by the end of the lease term. The estimated useful lives are as follows:

IFRS 16 - ROU assets - land and buildings

Over remaining life of the lease

1.5 Impairment of non-current assets

Where a reasonable and consistent basis of allocation can be identified, assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Assets are assessed for impairment at every balance sheet date.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

CYGNET (DM) LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.7 Financial assets

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Initial measurement of financial assets

Under IFRS 9 financial assets are initially classified and measured at fair value, with any changes in fair value going through the profit or loss as they arise (FVTPL), unless criteria are met that allows the instrument to be classified and measured at either amortised costs or fair value through other comprehensive income (FVOCI). Financial assets not classified as FVTPL are initially measured at fair value plus transaction costs.

Financial assets are classified and measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are classified and measured at FVOCI if they are held in a business model whose objectives are achieved by collection contractual cash flows and selling financial assets.

Financial assets held at amortised cost

The business model under which the trade receivables are held is to collect contractual cash flows that are solely payments of principle and interest. Therefore trade receivables are measured at amortised cost.

Impairment of financial assets

Financial assets, other than those measured FVTPL, are assessed for indicators of impairment at each reporting date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

The company assesses on a forward-looking basis the expected credit loss associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

When a trade receivable is considered unrecoverable it is written off against the provision. Subsequent recoveries of amounts previously written off are credited against the provision. Changes in the carrying amount of the provisions are recognised in the profit and loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

CYGNET (DM) LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Classification of financial liabilities

The LLP recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- On initial recognition it is part of a portfolio of identified financial instruments that the company manages together and had recent actual pattern of short-term profit taking, or
- It is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.8 Equity instruments

Equity instruments issued by the limited liability partnership are recorded at the proceeds received, net of direct issues cost. Distributions payable on equity instruments are recognised as liabilities once they are no longer at the discretions of the limited liability partnership.

1.9 New standards

There are no new accounting standards or amendments to existing accounting standards or IFRIC interpretations that are effective for the year ended 31 December 2022 that have had a material impact on the company's financial statements.

2 Critical accounting estimates and judgements

In the application of the limited liability partnership's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amount 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 period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no significant estimates or judgements which Management consider to have a material impact on the financial statements.

CYGNET (DM) LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Operating profit

	2022	2021
	£'000	£'000
Operating profit for the year is stated after charging:		
Depreciation of owned property, plant and equipment	-	28
	<u> </u>	<u> </u>

4 Employees

The average number of persons (excluding members) employed by the partnership during the year was:

	2022	2021
	Number	Number
Non-Clinical	1	8
	<u> </u>	<u> </u>

All costs for the period relating to wages and salaries were paid by Cygnet Health Care Limited as although the employees all have contracts with Cygnet (DM) LLP they were solely working for Cygnet Health Care Limited. Thus no wage and salary costs were incurred by Cygnet (DM) LLP.

The members did not receive emoluments for their services directly from this company which are deemed to be of negligible value. However, the UK group directors received remuneration for services to Cygnet Health Care Limited of which Cygnet (DM) LLP is a fellow subsidiary undertaking.

5 Information in relation to members

	2022	2021
	Number	Number
Average number of members during the year	3	3
	<u> </u>	<u> </u>

CYGNET (DM) LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Property, plant and equipment

	IFRS 16 - ROU assets - land and buildings £'000
Cost	
At 1 January 2022	254
Disposals	(254)
	<hr/>
At 31 December 2022	-
	<hr/>
Accumulated depreciation	
At 1 January 2022	28
Eliminated in respect of disposals	(28)
	<hr/>
At 31 December 2022	-
	<hr/>
Carrying amount	
At 31 December 2022	-
	<hr/>
At 31 December 2021	-
	<hr/>

7 Trade and other receivables

	2022 £'000	2021 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	6,083	5,622
Other receivables	3	2
	<hr/>	<hr/>
	6,086	5,624
	<hr/>	<hr/>

The members have considered the method of recovery of amounts owed by group undertakings and on the basis that they are repayable on demand, interest free and a parent of the group has confirmed it would support their repayment, have concluded that no expected credit loss provision is required.

CYGNET (DM) LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Trade and other payables

	2022	2021
	£'000	£'000
Amounts owed to group undertakings	6,159	5,644

The amounts owed to group companies are legally repayable on demand (and hence are disclosed as current liabilities), however, it is not expected that a demand for these amounts will be made within the next year. These amounts do not attract interest.

All trade and other payables are unsecured and given they are short term in nature, the carrying value approximates their fair value.

9 Ultimate controlling party

The largest group in which the results of the LLP are consolidated is that headed by Universal Health Services Inc., a company incorporated in the US. The smallest in which they are consolidated is headed by Cygnet Health UK Limited. The consolidated financial statements of these groups are available to the public. Universal Health Services Inc. financial statements may be obtained from <http://www.uhsinc.com/> and Cygnet Health UK Limited financial statements may be obtained from: Nepicar House, London Road, Wrotham Heath, Sevenoaks, Kent, TN15 7RS.

10 Related party transactions

The ultimate controlling party of the LLP is Universal Health Services Inc., the immediate parent company is Cygnet Health Care Limited and the UK ultimate parent of the LLP is UK Acquisitions No.6 Limited. The registered office of the ultimate controlling party is 367 South Gulph Road, King of Prussia, PA 19406.

Identity of related parties

The LLP has a related party relationship with its parent undertaking, the parent's subsidiaries, its own subsidiaries and with its Members.

The LLP has applied the exemption under FRS 101 in respect of transactions with wholly owned subsidiaries.

Other related party transactions

There were no other related party transactions during the current or preceding period.