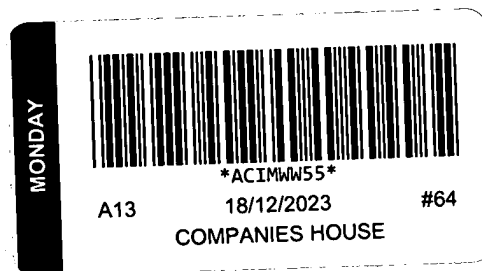


Registered Number: OC397788

SPS FACILITIES LLP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



SPS FACILITIES LLP

PARTNERSHIP INFORMATION

DESIGNATED MEMBERS	IPP Facilities Limited Somerset NHS Foundation Trust Yeovil District Hospital NHS Foundation Trust
REGISTERED NUMBER	OC397788
REGISTERED OFFICE	Francis House 9 Kings Head Yard London SE1 1NA United Kingdom
INDEPENDENT AUDITOR	Deloitte LLP Statutory Auditor London United Kingdom

SPS FACILITIES LLP

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SPS FACILITIES LLP
MEMBERS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The members present their annual report and the audited financial statements for the year ended 31 March 2023.

PRINCIPAL ACTIVITY

The principal activity of the Partnership comprise the provision of facilities for pathology services.

REVIEW OF THE BUSINESS AND KEY PERFORMANCE INDICATORS

The Partnership provides services through long term contracts and strategic partnerships with the National Health Service and other providers of healthcare services. The performance of the Partnership was in line with the expectations of the members for the financial year to 31 March 2023.

The designated members consider that the principal key performance indicators relating to the Partnership are revenue and operating profit included in these financial statements. During the year the Partnership's revenue was £12.7m (2022: £13.5m) and an operating profit of £0.32m (2022: £0.73m).

Overall there was a reduction in test volumes of 2.5% from prior year. The reduced activity was mainly due to lower demand for Covid-19 virus testing with the recurring testing from the main contract increasing marginally by 1.5% . Due to an overall lower volume of tests, revenue decreased by 7.0%. Lower Covid testing activity had a significant impact to revenue with a reduction of £4.6m from the prior year. This was mitigated by growth in other respiratory testing £2.5m, sexual health testing £0.4m and an increase in pricing/volume of £0.8m.

Administrative expenses are highly fixed in nature. The increase of 8.6% is broadly representative of inflationary pressures.

The following table shows certain line items from the Statement of Comprehensive Income for the year ended 31 March 2023 and for the year ended 31 March 2022.

	2023 £'000	2022 £'000
Somerset NHS Foundation Trust	8,484	9,355
Yeovil District Hospital NHS Foundation Trust	3,249	3,526
Related party revenue	2	162
Other	973	549
Total revenue	<u>12,708</u>	<u>13,592</u>
Cost of sales	<u>(12,034)</u>	<u>(12,535)</u>
Gross profit	674	1,057
Administrative expenses	<u>(354)</u>	<u>(326)</u>
Operating profit	<u><u>320</u></u>	<u><u>731</u></u>
	2023 No. millions	2022 No. millions
Test volumes	<u><u>8.50</u></u>	<u><u>8.72</u></u>

SPS FACILITIES LLP
MEMBERS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

	Somerset	Yeovil
	No. millions	No. millions
Test volumes	<u>6.15</u>	<u>2.35</u>

FUTURE DEVELOPMENTS

On 1 April 2023, Somerset NHS Foundation Trust acquired the assets and business of Yeovil District Hospital NHS Foundation Trust; forming Somerset NHS Foundation Trust through merger by acquisition; approved by NHS England. This changed the controlling interest held by Somerset NHS Foundation Trust from 51.4% to 66.7% and Yeovil District Hospital NHS Foundation Trust from 15.4% to no longer having an interest.

GOING CONCERN

The members consider the going concern basis to be appropriate following their assessment of the Partnership's financial position and its ability to meet its obligations as and when they fall due. Please refer to note 2 (a).

PRINCIPAL RISKS AND UNCERTAINTIES

Pricing risk

The Partnership is subject to annual price increases that are determined by Public Health England. The risk is that the annual increase is not sufficient to absorb increases in the Partnership's cost base. This is mitigated through the Partnership's procurement activities and entering into framework agreements held by Somerset NHS Foundation Trust and IPP Limited and its wider group companies.

Key customer risk

The Partnership has a reliance on a few customers and there is a risk that this relationship could end leading to a loss of business. This is mitigated through the Partnership's business development activities, which actively seek additional commercial relationships.

Regulatory risk

The Partnership operates in a heavily regulated market and is subject to national and local regulatory scrutiny, supervision and controls. The risk of non-compliance is mitigated through relevant training provided to the employees, responsible officers, policies and systems in place.

Key supplier risk

The Partnership's operations are dependent on a number of key product and consumable lines from a limited number of suppliers. The operations would be at risk if the supply chain was not maintained and therefore this risk is mitigated through continual review of stock levels and order processing.

Credit risk

The Partnership's credit risk is attributable to its income from the National Health Service. The credit risk and associated cash flow risk are not considered significant as the National Health Service is supported by the Department of Health.

SPS FACILITIES LLP

**MEMBERS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Inflationary risk

In the context of the armed conflict between Russia and Ukraine, the Partnership's activities are not affected. However, the Partnership will see price increases as a result of the inflationary pressure on energy prices and the potential indirect pressure on salaries resulting from the crisis. The risk is mitigated by annual inflationary measures built in the customer contracts. Management continues to monitor events and trends closely, making business responses where needed.

Economic risk

The principal uncertainty from the transition of the UK from the EU is expected to be surrounding the recruitment and retention of staff within the UK labour market, which may be adversely affected. Any potential weakening in the value of pound sterling is expected not to have a significant negative impact on the Partnership. This is due to the Partnership only having a minor volume of transactions in foreign currencies. To date the Partnership has not experienced any adverse effects to its sales demand, financial performance, recruitment and retention of staff or operational stability from the UK decision to leave the EU. The situation is being closely monitored by management through the monthly forecasting reviews.

DESIGNATED MEMBERS

IPP Facilities Limited, Somerset NHS Foundation Trust, and Yeovil District Hospital 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. Undistributed profits are shown in 'members interests' in the statement of changes in members' interests on page 11.

SUBSEQUENT EVENTS

Refer to note 12 for details of subsequent events.

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

SPS FACILITIES LLP

**MEMBERS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

AUDITOR

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006. Deloitte LLP expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditors. This report was approved by the board and signed on its behalf.



Pippa Moger
Signed on behalf of
Somerset NHS Foundation Trust
Designated Member

Date: 14th December 2023

SPS FACILITIES LLP

**MEMBERS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

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 judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the continue in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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.

These responsibilities are exercised by the Board on behalf of the members. The directors 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.

SPS FACILITIES LLP

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

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

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of SPS 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 March 2023 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 of financial position.
- the statement of changes in members' interests; and
- the related notes 1 to 13.

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).

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

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the limited liability partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

SPS FACILITIES LLP

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

We considered the nature of the limited liability partnership's industry and its control environment, and reviewed the limited liability partnership's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the members about their own identification and assessment of the risks of irregularities, including those that are specific to the limited liability partnership's business sector.

SPS FACILITIES LLP

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

We obtained an understanding of the legal and regulatory frameworks that the limited liability partnership operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and local tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the limited liability partnership's ability to operate or to avoid a material penalty. These included local health and safety laws and regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and both in-house and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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 following 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 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
- certain disclosures of members' remuneration specified by law are not made.

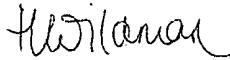
We have nothing to report in respect of these matters.

SPS FACILITIES LLP

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

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

Helen Wildman ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, UK

Date: 15 December 2023

SPS FACILITIES LLP

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £'000	2022 £'000
Revenue	4	12,708	13,592
Cost of sales		<u>(12,034)</u>	<u>(12,535)</u>
Gross profit		674	1,057
Administrative expenses		<u>(354)</u>	<u>(326)</u>
Operating profit and profit for the year		320	731
Other comprehensive income for the year net of tax		<u>-</u>	<u>-</u>
Profit for the year available for discretionary division among members		<u>320</u>	<u>731</u>

Revenue and operating profit are all derived from continuing operations.

The notes on pages 13 to 17 form part of these financial statements.

SPS FACILITIES LLP

REGISTERED NUMBER: OC397788
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 £'000	2022 £'000
Current assets			
Debtors: amounts due within one year	8	430	1,108
Cash at bank and in hand	9	25	117
		<u>454</u>	<u>1,225</u>
Current liabilities			
Creditors: amounts due within one year	10	(275)	(535)
Net current assets		179	690
Total assets less current liabilities		<u>179</u>	<u>690</u>
Net assets		<u>179</u>	<u>690</u>
Represented by:			
Members' other interests			
Other reserves		<u>179</u>	<u>690</u>

The notes on pages 13 to 17 form part of these financial statements.

The financial statements have been prepared under the small limited liability partnerships regime.

The financial statements of SPS Facilities LLP (registered number: OC397788) were approved by the members and authorised for issue. They were signed on its behalf by:



Pippa Moger
Signed on behalf of
Somerset NHS Foundation Trust
Designated Member

Date: 14th December 2023

SPS FACILITIES LLP

STATEMENT OF CHANGES IN MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 MARCH 2023

	Other Reserves £ '000
Members' deficit at 1 April 2021	(41)
Profit for the year available for discretionary division among members	731
Members' interests at 31 March 2022	<u>690</u>
Profit for the year available for discretionary division among members	320
Drawings	831
Members' interests at 31 March 2023	<u><u>179</u></u>

The notes on pages 13 to 17 form part of these financial statements.

SPS FACILITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. GENERAL INFORMATION

SPS Facilities LLP (the Partnership) was incorporated in the United Kingdom and 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 Section 1A of the 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 as applicable to small LLP's (issued December 2018).

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

The Partnership meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to the presentation of a cash flow statement. The disclosure exemption has been taken on the basis that the NHS England as the ultimate controlling party prepares consolidated financial statements that are publicly available from the Department of Health, Richmond House, 79 Whitehall, Westminster, London SW1A 2NS.

2. SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been consistently applied.

(a) Going Concern

The members consider the going concern basis to be appropriate following their assessment of the Partnership's financial position and its ability to meet its obligations as and when they fall due. In making the going concern assessment the members have considered the following:

- Testing and particularly medical testing in a resilient and defensive market, which has historically had limited impact from past economic or capital market downturns;
- The criticality of the medical services provided;
- The financial position of the Partnership as at the date the financial statements were approved

Following the assessment of the Labco UK Group (Parent entity in the UK) and the wider group (which has Synlab AG as the ultimate entity) financial position, based on the above analysis the members have a reasonable expectation that the Partnership will be able to continue to operate for at least the next 12 months from the date of signing these financial statements. Therefore, the financial statements have been prepared on a going concern basis.

SPS FACILITIES LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

SIGNIFICANT ACCOUNTING POLICIES (continued):

(b) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Partnership 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 Partnership 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.

(c) Income tax

The taxation payable on the Partnership's profits is the 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.

(d) Debtors

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

(e) 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.

(f) 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.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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.

The Partnership does not have any critical accounting judgements and key sources of estimation uncertainty.

SPS FACILITIES LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

4. REVENUE

The whole of the revenue is attributable to the provision of pathology services within the United Kingdom.

	2023 £'000	2022 £'000
Somerset NHS Foundation Trust	8,484	9,355
Yeovil District Hospital NHS Foundation Trust	3,249	3,526
Related party revenue	2	162
Sexual health testing	973	549
	<u>12,708</u>	<u>13,592</u>

Partnership has recognised Covid revenue of £Nil (2022: £2,758,792) in Taunton and £Nil (2022: £1,839,195) in Yeovil.

5. AUDITOR'S REMUNERATION

	2023 £'000	2022 £'000
Fees payable for the audit of the Partnership's financial statements	<u>6</u>	<u>5</u>

There were no non-audit services provided by the auditor during the current or prior year.

6. MEMBERS

	2023	2022
The average number of members during the year	<u>3</u>	<u>3</u>

7. STAFF COSTS

There are no employees of the Partnership for both current and prior year.

SPS FACILITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. DEBTORS

<i>Amounts falling due within one year</i>	2023	2022
	£'000	£'000
Trade debtors	109	201
Taxation and social security	28	37
Amounts due from related party	174	785
Prepayments and accrued income	119	85
	<u>430</u>	<u>1,108</u>

The amounts due from related party are unsecured, non-interest bearing and receivable on demand.

9. CASH AT BANK AND IN HAND

	2023	2022
	£'000	£'000
Cash at bank	<u>25</u>	<u>117</u>

10. CREDITORS

<i>Amounts falling due within one year</i>	2023	2022
	£'000	£'000
Amounts due to related party	219	497
Other creditors	-	29
Accruals and deferred income	56	9
	<u>275</u>	<u>535</u>

The Partnership intends to settle amounts due to external and unsecured creditors ahead of settling amounts due to related parties and the members. The amounts due to related party are unsecured, non-interest bearing and repayable on demand.

11. RELATED PARTY TRANSACTIONS

Trading transactions

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

Sale of services under the companies standard trading terms of 30 days

	2023	2022
	£'000	£'000
Somerset NHS Foundation Trust	8,484	9,355
Synlab Laboratory Services Limited	2	160
Pathology First LLP	-	3
Yeovil District Hospital NHS Foundation Trust	3,249	3,526
	<u>11,735</u>	<u>13,044</u>

SPS FACILITIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

RELATED PARTY TRANSACTIONS (continued):

<i>Receipt of Services under standard trading terms of 30 days</i>	2023	2022
	£'000	£'000
Somerset NHS Foundation Trust	207	132
Yeovil District Hospital NHS Foundation Trust	22	52
IPP Facilities Limited	<u>12,141</u>	<u>12,636</u>
	<u>12,370</u>	<u>12,820</u>

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

<i>Amounts owed by</i>	2023	2022
	£'000	£'000
Somerset NHS Foundation Trust	81	632
Synlab Laboratory Services Limited	-	1
Yeovil District Hospital NHS Foundation Trust	<u>21</u>	<u>152</u>
	<u>102</u>	<u>785</u>

<i>Amounts owed to</i>	2023	2022
	£'000	£'000
Somerset NHS Foundation Trust	-	52
Yeovil District Hospital NHS Foundation Trust	-	10
IPP Facilities Limited	<u>219</u>	<u>435</u>
	<u>219</u>	<u>497</u>

At the statement of financial position the Partnership is owned 51.4% by Somerset NHS Foundation Trust, 33.3% by IPP Facilities Limited and 15.3% by Yeovil District Hospital NHS Foundation Trust. Pathology First LLP, Synlab Laboratory Services Limited and SPS Facilities LLP are fellow subsidiaries of Labco UK Group Limited.

12. SUBSEQUENT EVENTS

On 1 April 2023, Somerset NHS Foundation Trust acquired the assets and business of Yeovil District Hospital NHS Foundation Trust; forming Somerset NHS Foundation Trust through merger by acquisition; approved by NHS England. This changed the controlling interest held by Somerset NHS Foundation Trust from 51.4% to 66.7% and Yeovil District Hospital NHS Foundation Trust from 15.4% to no longer having an interest.

Cinven LLP are the ultimate controlling party of IPP Facilities who are member of this Partnership. Funds advised by Cinven LLP have submitted a legally non-binding expression of interest to acquire up to 100% of the ultimate parent's, Synlab AG, shares at an indicative offer price of €10.00 per SYNLAB share on 9 March 2023. Cinven currently own approximately 43% of Synlab AG shares, who are the ultimate parent company of IPP Facilities Limited and therefore hold a non controlling interest in this Partnership. The capital market was informed about this in an ad - hoc announcement on 13 March 2023. The Management Board of Synlab AG is reviewing this legally non - binding offer in cooperation with external advisors. The Management Board's current view is that the offer has no direct impact on the net assets, financial position and results of operations or trading performance of across all of the SYNLAB group.

13. CONTROLLING PARTY

The Partnership considers Somerset NHS Foundation Trust, registered in England and Wales and found at Trust management, Musgrove Park Hospital, Taunton TA1 5DA, as its ultimate controlling party. The Partnership's results are not consolidated into any group financial statements.