

ClinPhone Limited

Annual report and Financial Statements for the eighteen-month
period ended 31 December 2020

Registered number: (05204138)

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ClinPhone Limited

Annual report and financial statements
for the eighteen-month period ended 31 December 2020

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COMPANY INFORMATION

DIRECTORS	Gavin David Thomas Nichols (U.K) Purvesh Dhananjay Patel (U.S)
SECRETARY	Broughton Secretaries Limited
REGISTERED OFFICE	54 Portland Place London England W1B 1DY United Kingdom
INDEPENDENT AUDITOR	Deloitte Ireland LLP Chartered Accountants and Statutory Audit Firm Deloitte & Touche House Earlsfort Terrace Dublin 2 Ireland
BANKERS	JP Morgan Chase Bank N.A. Chaseside Bournemouth BH7 7DB United Kingdom
SOLICITORS	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU United Kingdom
REGISTERED NUMBER	05204138

STRATEGIC REPORT
for the eighteen-month period ended 31 December 2020

INTRODUCTION

The directors present their strategic report for the eighteen-month period (the 'period') ended 31 December 2020.

REVIEW OF BUSINESS

The Company's principal activity is that of an investing and holding Company. The principal activity of its subsidiary is that of comprehensive management of clinical trials, statistical and data management services and regulatory affairs support services to the international pharmaceutical industry.

The key financial indicators during the period were as follows:

	18-month period from 01 July 2019 to 31 December 2020	Year ended 30 June 2019	Change
	£'000	£'000	%
Operating (loss)/profit	(9,103)	78	(11,771)
(Loss)/profit after tax	(9,067)	127	(7,239)
Shareholders' equity	52,029	61,096	(15)
Current assets as % of current liabilities	11,635%	844%	10,791
Non-current assets	42,455	48,103	(12)

The results for the eighteen-month period are set out on page 11. The directors consider the results achieved from ordinary activities before taxation and the Company's financial position at the end of the period and prospects to be in line with their current expectations.

The Company's loss for the financial period is £9,067,000 (Year ended 30 June 2019: profit of £127,000). The Company did not propose, declare or pay any dividends during the period (Year ended 30 June 2019: £nil). Total assets less current liabilities of the Company at 31 December 2020 is £52,029,000 (30 June 2019: £61,096,000). The main driver for the large loss in the period ended 31 December 2020, and the decline in total assets is due to an impairment of £5,648,000 being booked to the investment, and a write-off of historical intercompany asset balances of £3,261,000 in the period.

PRINCIPAL RISK AND UNCERTAINTIES

The directors consider that there are minimal risks and uncertainties with the Company's activities as a holding company.

During 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") to be a pandemic. The restrictions imposed as a result of COVID-19 initially led to widespread global patient-site closures and resulted in a decline in revenue related to our site-based monitoring services and delays in new trial start-up activities. Despite these challenges, our business has adapted and continues to adapt to the changing environment through implementing remote and risk-based patient-monitoring, including a steady reopening of patient sites and resuming of trial start-up activities. In an effort to limit the overall impact of the COVID-19 pandemic, we initiated several cost management strategies and cash conservation initiatives, including organizational and operating model efficiencies, hiring restrictions, reductions in third-party costs and delaying some capital expenditures. These efforts to preserve cash, as well as our ability to creatively deliver our services and win new awards had a positive impact on our operating results and our cash flows during the second half of 2020. Also, during the second half of 2020 we have seen improvements in our business due in part to an increase in revenue from COVID-19 related studies and this upward trend continued throughout 2021.

STRATEGIC REPORT
for the eighteen-month period ended 31 December 2020

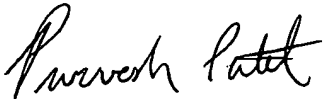
FUTURE DEVELOPMENTS

There are no material changes expected for the Company through 2021 and 2022.

THE BOARD'S STATEMENT ON s172(1)

The Board of Directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the Company are appropriately informed by s172 factors.

On behalf of the Board



Purvesh Dhananjay Patel
Director

Date: February 28, 2022

DIRECTORS' REPORT

for the eighteen-month period ended 31 December 2020

The directors present their annual report and the audited financial statements for the eighteen-month period (the 'period') ended 31 December 2020.

FUTURE DEVELOPMENTS

Future developments are included in the strategic report on page 3.

GOING CONCERN

The financial statements have been prepared on a going concern basis as Pamplona Investment Partners L.P., a 100% shareholder either directly or indirectly in the Company, has confirmed to the directors that, if required, it will provide support to enable the Company to continue in operation for the foreseeable future, being not less than twelve months from the date of approval of these financial statements. ClinPhone Limited will draw on funds available as required. Accordingly, the directors have determined that it is appropriate to prepare these financial statements on a going concern basis.

POST BALANCE SHEET EVENTS

In November 2020, the Parexel group began the process of legally separating its Parexel Informatics (PI) segment (the "Spin-Off"), which included its: (i) clinical trial management systems; (ii) electronic data capture; (iii) interactive response technology; (iv) regulatory information management; and (v) medical imaging businesses. This transaction will simplify the Company's business strategy as well as provide PI the opportunity to achieve long-term growth through a dedicated focus on technology and winning new customers within the Company's industry. In January 2021, the Parexel group completed the Spin-Off and the PI business was rebranded as Calyx. Upon completion of the Spin-Off, Calyx became a wholly owned subsidiary of Parexel Investment Holdings LP, an indirect shareholder of the Company, and will no longer be part of the Parexel group.

DIVIDENDS

The Company did not propose, declare or pay any dividends during the period (Year ended 30 June 2019: £nil).

DIRECTORS

The directors who held office during the period were as follows:

Paul Joseph Armstrong (U.S.) - appointed 1 May 2020, resigned 31 December 2020
Michael Francis Crowley III (U.S.) - resigned 31 December 2020
Joseph Edward Scott (U.S.) - resigned 1 May 2020

Directors of the Company appointed post 31 December 2020 but before the approval of the financial statements were as follows:

Gavin David Thomas Nichols (U.K.) - appointed 1 January 2021
Purvesh Dhananjay Patel (U.S.) - appointed 1 January 2021

None of the directors who held office at the end of the financial year or to the date of the approval of the financial statements had any disclosable interest in the shares of the Company.

DIRECTORS QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The Company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third-party indemnity provision remains in force as at the date of approving the directors' report.

DIRECTORS' REPORT (CONTINUED)
for the eighteen-month period ended 31 December 2020

EU BRANCH

As well as the UK operation, the company also has a branch operation in France. This branch was formed on 13 November 2020, at 200, Rue Leonard de Vinci, Zac Des Chantelliers Nord, 45400 Semoy, France. The principal activity of this branch is research and development in biotechnology.

POLITICAL AND CHARITABLE CONTRIBUTIONS

The Company made no political or charitable donations or incurred any political expenditure during the period (Year ended 30 June 2019: £nil).

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITORS

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

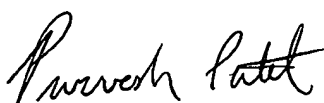
- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- director has taken all the steps that he/she ought to have been taken as a director in order make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

AUDITORS

Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, have indicated their willingness to continue in office and a resolution to reappoint Deloitte Ireland LLP will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board



Purvesh Dhananjay Patel

Director

Date: February 28, 2022

DIRECTORS' RESPONSIBILITIES STATEMENT
for the eighteen-month period ended 31 December 2020

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

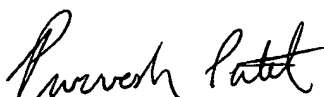
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 and then apply them consistently;
- make judgements and accounting 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 Company will continue in business.

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

On behalf of the Board



Purvesh Dhananjay Patel
Director

Date February 28, 2022

Independent auditor's report to the members of ClinPhone Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of ClinPhone Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Income Statement;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 16 the statement of accounting policies set out in note 2.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (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 company 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 directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors 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, except to the extent otherwise explicitly stated in our report, 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 directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Deloitte.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

Report on other legal and regulatory requirements

Opinions 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 strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.



David Boyle (Senior statutory auditor)
For and on behalf of Deloitte Ireland LLP, Statutory Auditor
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
Ireland

01 March 2022

INCOME STATEMENT
for the eighteen-month period ended 31 December 2020

		Period ended 31 December 2020 £000	Year ended 30 June 2019 £000
	Note		
Administrative expenses		(9,103)	78
Operating (loss)/profit	3	(9,103)	78
Interest receivable and similar income	5	41	83
Interest payable and similar expenses	6	(5)	(4)
(Loss)/profit before tax		(9,067)	157
Tax on (loss)/profit	7	-	(30)
(Loss)/profit for the financial period / year		(9,067)	127

All activities are derived from continuing operations.

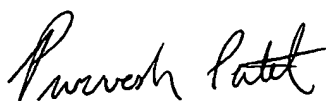
There are no gains or losses in the current period or preceding year and as such, no statement of comprehensive income has been presented.

ClinPhone Limited

STATEMENT OF FINANCIAL POSITION
as at 31 December 2020

	Note	As at 31 December 2020 £000	As at 30 June 2019 £000
Fixed assets			
Investments	8	42,455	48,103
		<hr/> 42,455	<hr/> 48,103
Current assets			
Debtors: amounts falling due within one year	9	6,360	14,739
Cash and cash equivalents		3,297	-
		<hr/> 9,657	<hr/> 14,739
Creditors: amounts falling due within one year	10	(83)	(1,746)
		<hr/> 9,574	<hr/> 12,993
Net current assets		<hr/> 9,574	<hr/> 12,993
Total assets less current liabilities		<hr/> 52,029	<hr/> 61,096
Capital and reserves			
Share capital presented as equity	11	-	-
Share premium		36,468	36,468
Capital redemption reserve		676	676
Retained earnings		14,885	23,952
		<hr/> 52,029	<hr/> 61,096
Total equity		<hr/> 52,029	<hr/> 61,096

The financial statements of ClinPhone Limited (Registered number: 05204138) were approved by the board of directors on February 28, 2022 and were signed on its behalf by:



Purvesh Dhananjay Patel
Director

Date: February 28, 2022

STATEMENT OF CHANGES IN EQUITY
for the eighteen-month period ended 31 December 2020

	Share capital presented as equity £000	Share premium £000	Capital redemption reserve £000	Retained earnings £000	Total equity £000
At 1 July 2018	-	36,468	676	23,825	60,969
Comprehensive income for the year					
Profit for the financial year	-	-	-	127	127
At 30 June 2019	-	36,468	676	23,952	61,096
Comprehensive expense for the period					
Loss for the financial period	-	-	-	(9,067)	(9,067)
At 31 December 2020	-	36,468	676	14,885	52,029

NOTES TO THE FINANCIAL STATEMENTS
for the eighteen-month period ended 31 December 2020

1. GENERAL INFORMATION

ClinPhone Limited (the 'Company') is a private company, limited by shares and is incorporated and domiciled in the UK. The Registered Office is 54 Portland Place, London, England, W1B 1DY, United Kingdom.

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and in accordance with applicable accounting standards. The principal accounting policies adopted by the Company are set out within note 2. The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial year end of the Company was changed from 30 June to 31 December so as to align with a similar year end change for the Parexel Group. Accordingly, the current financial statements are prepared for eighteen months from 1 July 2019 to 31 December 2020 and as a result, the comparative figures stated in the income statement, statement of financial position and statement of changes in equity are not directly comparable.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

The results of ClinPhone Limited are included in the consolidated financial statements of West Street Topco Limited, incorporated in Jersey, The Channel Islands. The financial statements are available from West Street Topco Limited, 26 New Street, St Helier, Jersey, JE2 3RA, The Channel Islands.

2. ACCOUNTING POLICIES

2.1 Application of new and revised International Financial Reporting Standards (IFRSs)

For the period ended 31 December 2020, the Company adopted IFRS 16 Leases, IFRS 2 (amendments) Classification and Measurement of Share-based Payment Transactions, IAS 40 (amendments) Transfers of Investment Property, IFRIC 22 Foreign Currency Transactions and Advance Consideration, IFRIC 23 Uncertainty over Income Tax Treatments, IFRS 9 (amendments) Prepayment Features with Negative Compensation, IAS 28 (amendments) Long-term Interests in Associates and Joint Ventures and IAS 19 (amendments) Plan Amendment, Curtailment or Settlement, Annual Improvements to IFRS Standards 2015–2017 Cycle IAS 12 Income Taxes and IAS 23 Borrowing Costs. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
for the eighteen-month period ended 31 December 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of preparation

The accounting policies which follow set out those accounting policies which apply in preparing the financial statements for the period ended 31 December 2020. The Company has taken advantage of the following disclosure exemptions availed under FRS 101:

- the requirement in paragraph 38 of IAS 1 '*Presentation of Financial Statements*' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d) and 134-136 of IAS 1 *Presentation of Financial Statements*;
- the requirements of IAS 7 *Statement of Cash Flows*;
- the requirements of paragraph 17 of IAS 24 *Related Party Disclosures* relating to disclosure of key management personnel;
- 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 a wholly owned subsidiary of West Street Topco Limited;
- the requirements of IFRS 7 *Financial Instruments Disclosures*;
- the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*; and
- the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* relating to disclosure of standards not yet effective and not applied.

Where relevant, equivalent disclosures have been given in the group accounts of West Street Topco Limited.

2.3 Judgements and key sources of estimation uncertainty

In applying the Company's accounting policies, which are described below, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported over revenues and expenses during the year.

As at the eighteen-month period ended 31 December 2020 there are no critical judgements that have a significant effect on the amounts recognised in the financial statements.

However, the nature of estimation means that actual outcomes could differ from those estimates.

The estimates and assumptions that have a significant risk of causing a material adjustment to the amounts recognised in the financial statements are addressed below:

Impairment of investments

Impairment is assessed by firstly reviewing any indicators of impairment. Impairment is then assessed by comparing the carrying value of an asset with its recoverable amount which is based on the net assets of the Company in which the Company holds an investment or its value in use. Calculation of the value in use involves judgement and making estimates in relation to future cash flows and actions and is therefore subject to inherent uncertainty.

NOTES TO THE FINANCIAL STATEMENTS
for the eighteen-month period ended 31 December 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.4 Consolidated financial statements

The Company is exempt under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its ultimate parent. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

2.5 Going concern

The financial statements have been prepared on a going concern basis as Pamplona Investment Partners L.P., a 100% shareholder either directly or indirectly in the Company, has confirmed to the directors that, if required, it will provide support to enable the Company to continue for the foreseeable future, being not less than twelve months from the date of approval of these financial statements. ClinPhone Limited will draw on funds available as required. Accordingly, the directors have determined that it is appropriate to prepare these financial statements on a going concern basis.

2.6 Financial assets

The Company classifies its financial assets in accordance with the requirements of IFRS 9 Financial Instruments ("IFRS 9"). The standard is based on the concept that financial assets should be classified and measured at fair value, with changes in fair value recognised in profit and loss as they arise ("FVPL") unless restrictive criteria are met for classifying and measuring the asset at either Amortized Cost or Fair Value Through Other Comprehensive Income ("FVOCI").

The Company determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value. Under the "Expected Credit Loss" model, an entity calculates the allowance for credit losses by considering on a discounted basis the cash shortfalls it would incur in various default scenarios for prescribed future periods and multiplying the shortfalls by the probability of each scenario occurring. The allowance is the sum of these probability weighted outcomes.

IFRS 9 establishes three separate approaches for measuring and recognizing expected credit losses, a general approach, a simplified approach and a credit adjusted approach. The approach is dependent on whether the allowance for expected credit losses at the balance sheet date is calculated by considering possible defaults only for the next twelve months ("twelve-month ECLs") or for the entire remaining life of the asset ("Lifetime ECLs"). The Company applies the simplified approach and always recognises lifetime expected credit losses (ECL) for intercompany receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition.

If an individual ECL which has been provided for is subsequently collected, the ECL is reversed and recognized in the Income Statement in the period that it is realised.

NOTES TO THE FINANCIAL STATEMENTS
for the eighteen-month period ended 31 December 2020

2. ACCOUNTING POLICIES (CONTINUED)

The Company derecognises a financial asset 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 of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Income Statement.

2.7 Financial liabilities

The Company classifies its financial liabilities in accordance with the requirements of IFRS 9 Financial Instruments ("IFRS 9"). The Company's financial liabilities include amounts owed to group undertakings.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments). The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

The Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in the Income Statement as the modification gain or loss within other gains and losses.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in the Income Statement are included within finance costs or finance income.

NOTES TO THE FINANCIAL STATEMENTS
for the eighteen-month period ended 31 December 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.8 Foreign currencies

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into sterling at the rates of exchange prevailing at the Statement of Financial Position date. All differences are taken to the Income Statement.

2.9 Interest payable and similar expenses

All borrowing costs associated with the secured and unsecured borrowings, (refer to Note 6 in Notes to the Financial Statements), are recognised in the Income Statement in the year in which they are incurred.

2.10 Current and deferred income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the Statement of Financial Position date.

The carrying amount of deferred income tax assets is reviewed at each Statement of Financial Position date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the Company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the Income Statement.

2.11 Investments

Investment in subsidiary undertakings are held at historical cost less any applicable provision for impairment. Impairment reviews are performed by directors when there has been an indication of potential impairment. Estimated future cash flows for this investment are not performed and hence reversal of any impairment from prior years is not considered.

NOTES TO THE FINANCIAL STATEMENTS
for the eighteen-month period ended 31 December 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.12 Impact of new accounting standards

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective; IFRS 3 Definition of a Business (Amendments to IFRS 3) and IFRS 16 Covid-19 Rent Related Concessions. The directors of the Company are presently assessing the impact of adoption of the Standards listed above on its financial statements but do not expect the new standards will have a material impact on the financial statements of the Company in future years.

3. OPERATING (LOSS)/PROFIT

The operating (loss)/profit is stated after (charging)/crediting:

	18-month period from 1 July 2019 to 31 December	Year ended 30 June
	2020 £000	2019 £000
Foreign exchange loss	-	91
Allowance for credit losses	(70)	-
Impairment of investment	(5,648)	-
Write-off of intercompany asset	(4,581)	-
Write-off of intercompany liability	1,320	-
Auditor's remuneration : Fees payable to the Company's auditor for the audit of the Company's annual accounts	(6)	(4)

The Company had no employees in either the current period or prior years.

During the period historical intercompany asset and liability balances netting to a total of £3,261,000 were written off as part of the Calyx spin-off, refer to note 15.

4. DIRECTORS' REMUNERATION

The directors of the Company are also directors of a number of other companies within the West Street Topco Limited group. The directors' services do not occupy a significant amount of their time. As such, the directors do not consider that they have received any remuneration for their incidental services to the Company for the period ended 31 December 2020 (Year ended 30 June 2019: £Nil).

NOTES TO THE FINANCIAL STATEMENTS
for the eighteen-month period ended 31 December 2020

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	18-month period from 1 July 2019 to 31 December	Year ended 30 June
	2020 £000	2019 £000
Interest receivable on intercompany loans (note 9)	41	83

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	18-month period from 1 July 2019 to 31 December 2020	Year ended 30 June 2019
	£000	£000
Bank interest	5	4

7. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	18-month period from 1 July 2019 to 31 December 2020	Year ended 30 June 2019
	£000	£000
a) Analysis of income statement:		
Current Tax		
Current tax on (loss)/profits for the period/year	-	(30)
Total current tax	-	(30)
Total deferred tax	-	-
Tax charge on (loss)/profit	-	(30)

NOTES TO THE FINANCIAL STATEMENTS
for the eighteen-month period ended 31 December 2020

7. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

	18-month period from 1 July 2019 to 31 December 2020 £000	Year ended 30 June 2019 £000
b) Factors affecting tax charge/(credit) for the period/year		
(Loss)/Profit before tax	(9,067)	157
(Loss)/Profit at standard UK tax-rate of 19% (2019: 19%)	(1,723)	30
Effects of:		
Expense not deductible	1,706	-
Movement in unprovided deferred tax	17	-
Total tax charge for the eighteen-month period/year	-	30

Finance Act 2016 had previously enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020 and accordingly the deferred tax at 30 June 2019 had been calculated at this rate. However, in the March 2020 Budget it was announced that the reduction will not occur and the Corporation Tax Rate will be held at 19%. The Provisional Collection of Taxes Act was used to substantively enact the revised 19% tax rate on 17 March 2020 and accordingly the deferred tax balances have been re-calculated to 19% at the period end.

c) Factors that may affect future tax charges

Furthermore, in the March 2021 Budget it was announced that the main rate of UK corporation tax will increase to 25% from 1 April 2023. As the proposal had not been substantively enacted at the balance sheet date, its effects are not included.

A small profits rate (SPR) will also be introduced for companies with profits of £50,000 or less so that they will continue to pay Corporation Tax at 19%. Companies with profits between £50,000 and £250,000 will pay tax at the main rate, reduced by a marginal relief providing a gradual decrease in the effective Corporation Tax rate.

d) Unrecognised deferred tax assets comprise:

Unrecognised losses for which deferred tax has not been provided amounted to £87,000 (2019: £NIL).

NOTES TO THE FINANCIAL STATEMENTS
for the eighteen-month period ended 31 December 2020

8. INVESTMENTS

	Shares in group undertakings	
	At 31 December 2020 £000	At 30 June 2019 £000
Cost	48,103	48,103
Addition	-	-
Impairment	(5,648)	-
Net book value	<u>42,455</u>	<u>48,103</u>

During the eighteen-month period, the Company impaired investments by £5,648,000 (Year ended 30 June 2019: NIL). This amount represents an investment cost of £48,103,000.

ClinPhone Limited invested in Perceptive Informatics (Japan) Inc on 26th November 2020. The carrying value of the investment is £1 (100 JPY).

Subsidiary undertaking

The Company holds equity capital in the following Company:

Subsidiary	Country of Incorporation	Registered Address	% Ownership
Perceptive eClinical Limited	United Kingdom	54 Portland Place London, England, W1B 1DY	100%
Perceptive Informatics (Japan) Inc.	Japan	1-17-21, Shinkawa, Kayaba-Cho First Building, Chuo-ku, Tokyo	100%

NOTES TO THE FINANCIAL STATEMENTS
for the eighteen-month period ended 31 December 2020

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	At 31 December 2020 £000	At 30 June 2019 £000
Amounts due from group undertakings	6,330	14,739
Tax recoverable	30	-
	<u>6,360</u>	<u>14,739</u>

Amounts due from group undertakings includes a loan of £6,400,000 due from Perceptive eClinical Limited that is unsecured, repayable on demand and is non-interest bearing. An IFRS 9 allowance of £70,400 has been applied to this loan.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	At 31 December 2020 £000	At 30 June 2019 £000
Bank overdraft	-	87
Amounts due to group undertakings	41	1,647
Corporation tax payable	30	3
Other creditors	12	9
	<u>83</u>	<u>1,746</u>

The amount owed to group undertakings is under a revolving credit agreement with no fixed repayment terms.

In the prior year, the bank overdraft was unsecured and repayable on demand. Interest was charged at Libor +3%.

NOTES TO THE FINANCIAL STATEMENTS
for the eighteen-month period ended 31 December 2020

11. SHARE CAPITAL PRESENTED AS EQUITY

	At 31 December 2020 £000	At 30 June 2019 £000
Authorised		
60,000,000 Class 'A' ordinary shares of 1p each	600	600
30,000,000 Class 'B' ordinary shares of 1p each	300	300
	<u>900</u>	<u>900</u>
Allotted, called up and fully paid		
2 (2019: 2) 'A' Preference shares of £0.01 each	-	-
1 (2019: 1) 'B' Preference share of £0.01	-	-
	<u>-</u>	<u>-</u>

On 4 June 2009 the Company's Articles of Association were amended such that all classes of preference shares in issue may only be redeemed at the option of the Company rather than at the option of the Shareholder. Consequently, the preference shares are classified as Equity. All classes of preference shares hold no voting rights and do not accrue dividends. Ordinary shares carry one vote per share.

The Company may at any time convert the 'A', 'B' and 'C' preference shares into A ordinary shares at the rate of 1.2239475, 1.1679611 and 0.669 shares respectively.

The Company has two classes of ordinary shares which carry no right to fixed income.

12. RELATED PARTY TRANSACTIONS

The Company has availed of the exemption provided in FRS 101.8(k) whereby transactions entered into between two or more members of a group of companies are not required to be disclosed, provided that any subsidiary undertaking which as a party to the transaction is a wholly owned member of that group.

13. INDIRECT SUBSIDIARIES

Subsidiary	Country of Incorporation	Registered Address	% Ownership
Perceptive Informatics UK Limited	United Kingdom	54 Portland Place, London, England, W1B 1DY	100.00%
Heron Health Private Limited	India	Building No. E, III Rd Floor, DLF Infocity Dev. CHD. Rajiv Gandhi CHD Tech Park, Chandigarh, India 160101	99.99% 0.01%

NOTES TO THE FINANCIAL STATEMENTS
for the eighteen-month period ended 31 December 2020

14. ULTIMATE PARENT COMPANY AND CONTROLLING PARTIES

The Company's immediate parent and controlling party is PI UK Acquisition Company Limited.

As at 31 December 2020, the Company's ultimate parent and ultimate controlling party is West Street Topco Limited, incorporated in Jersey, The Channel Islands. As at 31 December 2020, West Street Topco Limited is the smallest and largest group to consolidate the Company's financial statements, copies of which can be obtained from:

West Street Topco Limited,
26 New Street,
St Helier,
Jersey, JE2 3RA,
The Channel Islands

15. POST BALANCE SHEET EVENTS

In November 2020, the Parexel group began the process of legally separating its Parexel Informatics (PI) segment (the "Spin-Off"), which included its: (i) clinical trial management systems; (ii) electronic data capture; (iii) interactive response technology; (iv) regulatory information management; and (v) medical imaging businesses. This transaction will simplify the Company's business strategy as well as provide PI the opportunity to achieve long-term growth through a dedicated focus on technology and winning new customers within the Company's industry.

In January 2021, the Parexel group completed the Spin-Off and the PI business was rebranded as Calyx. Upon completion of the Spin-Off, Calyx became a wholly owned subsidiary of Parexel Investment Holdings LP, an indirect shareholder of the Company, and will no longer be part of the Parexel group.

16. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were authorised and approved for issue by the Board on February 28, 2022.