

Company Registration No. 06491893 (England and Wales)

GLOBUS MEDICAL UK LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
PAGES FOR FILING WITH REGISTRAR

GLOBUS MEDICAL UK LTD

COMPANY INFORMATION

Director Mr DT Scavilla (Appointed 30 June 2016)

Company number 06491893

Registered office Unit 7, Rotunda Business Centre
Thorncliffe Park
Chapel Town
Sheffield
S35 2PH

Accountants Verve Accounting Limited
198 Shirley Road
Southampton
UK
SO15 3FL

Business address Unit 7, Rotunda Business Centre
Thorncliffe Park
Chapel Town
Sheffield
S35 2PH

GLOBUS MEDICAL UK LTD

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GLOBUS MEDICAL UK LTD

BALANCE SHEET

AS AT 31 DECEMBER 2016

| | Notes | 2016 £ | £ | 2015 £ | £ |
|---|-------|--------------------|-------------------------|--------------------|-------------------------|
| Fixed assets | | | | | |
| Tangible assets | 4 | | 6,681 | | 4,103 |
| Current assets | | | | | |
| Stocks | 5 | 418,214 | | 431,387 | |
| Debtors | 6 | 3,042,101 | | 2,094,179 | |
| Cash at bank and in hand | | 597,869 | | 502,679 | |
| | | <u>4,058,184</u> | | <u>3,028,245</u> | |
| Creditors: amounts falling due within one year | 7 | <u>(2,352,756)</u> | | <u>(1,372,053)</u> | |
| Net current assets | | | <u>1,705,428</u> | | <u>1,656,192</u> |
| Total assets less current liabilities | | | <u>1,712,109</u> | | <u>1,660,295</u> |
| Provisions for liabilities | | | <u>2,191</u> | | <u>3,456</u> |
| Net assets | | | <u><u>1,714,300</u></u> | | <u><u>1,663,751</u></u> |
| Capital and reserves | | | | | |
| Called up share capital | 8 | | 1 | | 1 |
| Profit and loss reserves | | | <u>1,714,299</u> | | <u>1,663,750</u> |
| Total equity | | | <u><u>1,714,300</u></u> | | <u><u>1,663,751</u></u> |

The director of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 21 September 2017 and are signed on its behalf by:

Mr DT Scavilla

Director

GLOBUS MEDICAL UK LTD

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2016

Company Registration No. 06491893

GLOBUS MEDICAL UK LTD**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

| | Share capital | Profit and loss reserves | Total |
|--|---------------|-----------------------------|-----------|
| | £ | £ | £ |
| Balance at 1 January 2015 | 1 | 1,527,121 | 1,527,122 |
| Year ended 31 December 2015: | | | |
| Profit and total comprehensive income for the year | - | 136,629 | 136,629 |
| Balance at 31 December 2015 | 1 | 1,663,750 | 1,663,751 |
| Year ended 31 December 2016: | | | |
| Profit and total comprehensive income for the year | - | 50,549 | 50,549 |
| Balance at 31 December 2016 | 1 | 1,714,299 | 1,714,300 |

GLOBUS MEDICAL UK LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Globus Medical UK LTD is a private company limited by shares incorporated in England and Wales. The registered office is Unit 7, Rotunda Business Centre, Thorncliffe Park, Chapel Town, Sheffield, S35 2PH.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2016 are the first financial statements of Globus Medical UK LTD prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts, and was wholly attributable to markets in the UK.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|--------------------------------|-------------------|
| Surgical instrument | 33% straight line |
| Fixtures, fittings & equipment | 20% straight line |
| Computer equipment | 33% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

GLOBUS MEDICAL UK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

GLOBUS MEDICAL UK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 26 (2015 - 22).

3 Taxation

| | 2016 | 2015 |
|--|-------------|-------------|
| | £ | £ |
| Current tax | | |
| UK corporation tax on profits for the current period | 12,755 | 32,869 |
| Adjustments in respect of prior periods | 1,694 | (4,207) |
| | <hr/> | <hr/> |
| Total current tax | 14,449 | 28,662 |
| | <hr/> | <hr/> |
| Deferred tax | | |
| Other adjustments | (109) | (3,456) |
| | <hr/> | <hr/> |
| Total tax charge | 14,340 | 25,206 |
| | <hr/> | <hr/> |

GLOBUS MEDICAL UK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

4 Tangible fixed assets

| | Surgical instrument | Fixtures, fittings & equipment | Computer equipment | Total |
|------------------------------------|------------------------|--------------------------------------|-----------------------|---------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 January 2016 | 176,488 | 59,628 | - | 236,116 |
| Additions | - | 126 | 7,653 | 7,779 |
| Disposals | (961) | - | - | (961) |
| At 31 December 2016 | 175,527 | 59,754 | 7,653 | 242,934 |
| Depreciation and impairment | | | | |
| At 1 January 2016 | 176,488 | 55,525 | - | 232,013 |
| Depreciation charged in the year | - | 2,966 | 2,235 | 5,201 |
| Eliminated in respect of disposals | (961) | - | - | (961) |
| At 31 December 2016 | 175,527 | 58,491 | 2,235 | 236,253 |
| Carrying amount | | | | |
| At 31 December 2016 | - | 1,263 | 5,418 | 6,681 |
| At 31 December 2015 | - | 4,103 | - | 4,103 |

5 Stocks

| | 2016 £ | 2015 £ |
|--------|-----------|-----------|
| Stocks | 418,214 | 431,387 |

6 Debtors

| | 2016 £ | 2015 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 2,627,007 | 1,769,266 |
| Amounts due from group undertakings | 327,589 | 271,395 |
| Other debtors | 87,505 | 53,518 |
| | 3,042,101 | 2,094,179 |

GLOBUS MEDICAL UK LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2016****7 Creditors: amounts falling due within one year**

| | 2016 | 2015 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Trade creditors | 73,320 | 21,944 |
| Amounts due to group undertakings | 1,385,657 | 1,003,944 |
| Corporation tax | 12,755 | 32,869 |
| Other taxation and social security | 244,773 | 103,355 |
| Other creditors | 636,251 | 209,941 |
| | <u>2,352,756</u> | <u>1,372,053</u> |

8 Called up share capital

| | 2016 | 2015 |
|-------------------------------|-------------|-------------|
| | £ | £ |
| Ordinary share capital | | |
| Issued and fully paid | | |
| 1 Ordinary share of £1 each | 1 | 1 |
| | <u>1</u> | <u>1</u> |

9 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| | 2016 | 2015 |
|--|----------------|----------------|
| | £ | £ |
| | 273,641 | 197,366 |
| | <u>273,641</u> | <u>197,366</u> |

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.