

# **Phlexglobal Holdings Limited**

*Report and Financial Statements*

Year Ended

31 December 2015

Company Number 07503993



# **Phlexglobal Holdings Limited**

## **Report and financial statements for the year ended 31 December 2015**

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### **Directors**

S Donoghue  
K Redding  
P McNaney  
S Kent

### **Secretary and registered office**

S Donoghue, Mandeville House, 62 London Road, Amersham, Buckinghamshire, HP7 0HJ

### **Company number**

07503993

### **Auditors**

BDO LLP, 55 Baker Street, London, W1U 7EU

# Phlexglobal Holdings Limited

## Strategic report for the year ended 31 December 2015

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The directors present their strategic report together with the audited financial statements for the period ended 31 December 2015.

### Principal activities

The principal activity of the company in the year of review was that of holding company for the Phlexglobal group of companies, which provide clinical research services.

The company is a wholly owned subsidiary of Emerald Bidco Limited.

### Review of the business and future developments

The company's investments continued to perform well during the current year. The directors do not consider that any provision for impairment is required to the investment values of the shares in group undertakings.

The combined EBITDA of the company's subsidiaries exceeded £6m for the year ended 31 December 2015, representing EBITDA growth of 30.9% on the previous year. In view of the positive trading performance of the company's subsidiaries, the directors are satisfied that the company's investment in group undertakings of £75,000 (2014 - £75,000) doesn't require any impairment or provisioning.

As an intermediate holding company the company's principal key performance indicator is the profitability of its investments in group undertakings. This matter is addressed above.

No change in the nature of the company's business is expected in the foreseeable future.

### Principal risks and uncertainties

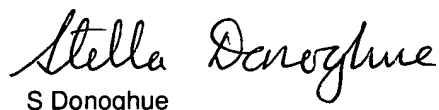
As an intermediate holding company, the principal risks for the company are that either the investment value of the shares in group undertakings, or the amounts owed by group undertakings might not be fully recoverable.

The directors regularly review the performance of the company's subsidiaries to ascertain whether there are any indicators which might indicate any risks threatening full recovery.

As an intermediate holding company, all principal risks relate to the investment, intercompany and loan note balances which are discussed above.

### Approval

This strategic report was approved on behalf of the Board on 26 April 2016

  
S Donoghue

Director

# **Phlexglobal Holdings Limited**

## **Report of the directors for the year ended 31 December 2015**

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The directors present their report together with the audited financial statements for the year ended 31 December 2015.

### **Results**

The income statement is set out on page 6 and shows the result for the year.

### **Going concern**

The directors believe that the company has adequate resources and is well placed to manage its business risks successfully. Therefore the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements. Please see note 1 to the financial statements for further details.

### **Directors**

The directors of the company during the year were:

S Donoghue  
K Redding  
P McNaney  
S Kent

### **Directors' responsibilities**

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

# Phlexglobal Holdings Limited

## Report of the directors for the year ended 31 December 2015 (*continued*)

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### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

### On behalf of the Board



S Donoghue  
Director

26 April 2016  
Date

# **Phlexglobal Holdings Limited**

## **Independent auditor's report**

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### **TO THE MEMBERS OF PHLEXGLOBAL HOLDINGS LIMITED**

We have audited the financial statements of Plexglobal Holdings Limited for the year ended 31 December 2015 which comprise the income statement, the balance sheet, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

### **Respective responsibilities of directors and auditors**

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

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# Phlexglobal Holdings Limited

## Independent auditor's report (*continued*)

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### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*BDO LLP*

*Julian Frost (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
London  
United Kingdom*

*27 April 2016*

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

# Phlexglobal Holdings Limited

## Income statement for the year ended 31 December 2015

	Note	2015 £	2014 £
Administrative expenses		-	177,452
<b>Operating loss</b>		-	(177,452)
Interest payable and similar charges	2	-	1,490,940
<b>Loss on ordinary activities before taxation</b>		-	(1,668,392)
Taxation	3	-	-
<b>Retained loss for the financial year</b>		-	(1,668,392)

All amounts relate to continuing activities.  
There is no other comprehensive income in the current or prior year.

The notes on pages 9 to 13 form part of these financial statements.

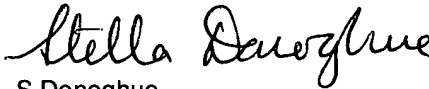


# Phlexglobal Holdings Limited

## Balance sheet at 31 December 2015

<b>Company number 07503993</b>	<b>Note</b>	<b>2015 £</b>	<b>2015 £</b>	<b>2014 £</b>	<b>2014 £</b>
<b>Fixed assets</b>					
Fixed asset investments	4		75,000		75,000
<b>Current assets</b>					
Debtors	5	3,567,726		3,567,726	
<b>Creditors: amounts falling due within one year</b>	6	5,605,024		5,605,024	
<b>Net current assets</b>			<u>(2,037,298)</u>		<u>(2,037,298)</u>
<b>Net liabilities</b>			<u>(1,962,298)</u>		<u>(1,962,298)</u>
<b>Capital and reserves</b>					
Called up share capital	7		113,360		113,360
Profit and loss account			<u>(2,075,658)</u>		<u>(2,075,658)</u>
<b>Shareholders' deficit</b>			<u>(1,962,298)</u>		<u>(1,962,298)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 26 April 2016

  
S Donoghue  
Director

The notes on pages 9 to 13 form part of these financial statements.

# Phlexglobal Holdings Limited

## Statement of changes in equity for the year ended 31 December 2015

	Share capital £	Profit and loss account £	Total £
<b>1 January 2014</b>	113,360	(407,266)	(293,906)
<i>Comprehensive income for the year:</i>			
<b>Loss and total comprehensive income for the year</b>	-	(1,668,392)	(1,668,392)
<b>31 December 2014</b>	113,360	(2,075,658)	(1,962,298)
<i>Comprehensive income for the year:</i>			
<b>Loss and total comprehensive income for the year</b>	-	-	-
<b>31 December 2015</b>	<u>113,360</u>	<u>(2,075,658)</u>	<u>(1,962,298)</u>

The notes on pages 9 to 13 form part of these financial statements.

# Phlexglobal Holdings Limited

## Notes forming part of the financial statements for the year ended 31 December 2015

### 1 Accounting policies

Phlexglobal Holdings Limited is a company incorporated in England and Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

FRS 102 is mandatory for accounting periods beginning on or after 1 January 2015 but may be applied early to periods ending on or after 31 December 2014. There was no impact on the transition to FRS 102 on the 2014 results and position.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the group's accounting policies. In the case of Phlexglobal Holding Limited, there are no critical accounting estimates used in the preparation of these financial statements.

The company is exempt from preparing consolidated financial statements for its group under Section 400 of the Companies Act 2006, as the company's ultimate parent undertaking, Emerald Topco Limited, is incorporated in the United Kingdom and prepares group financial statements. These financial statements present information about the company only and not the subgroup which it heads.

The following principal accounting policies have been applied:

The following principal accounting policies have been applied:

#### *Going concern*

The financial statements have been prepared on a going concern basis even though at the balance sheet date the company's liabilities exceeded its total assets and it made a loss for the year.

The directors consider the going concern basis to be appropriate because the company has obtained a letter of support from its ultimate parent undertaking, Emerald Topco Limited, in order to satisfy its liabilities as they fall due. The directors believe that this support will provide sufficient funds to satisfy any administrative expenses which are due for payment in the foreseeable future.

#### *Valuation of investments*

Investments held as fixed assets are stated at cost less any provision for impairment.

#### *Finance costs*

Finance costs are charged to profit over the term of the debt so that the amount charged is at a constant rate on the carrying amount. Finance costs include issue costs, which are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### *Cash flow statement*

The company has taken exemption within Chapter 1 of FRS 102, not to prepare a cash flow statement as it is included within the consolidated financial statements of its ultimate parent, Emerald Topco Limited, which are publicly available.

#### *Financial liability and equity*

Financial liabilities are measured initially at the amount of the net proceeds.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

# Phlexglobal Holdings Limited

## Notes forming part of the financial statements for the year ended 31 December 2015 (*continued*)

### 1 Accounting policies (*continued*)

#### *Current taxation*

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### *Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

#### *Pensions*

The company operates a defined contribution scheme for the benefit of its employees. Contributions are charged to the income statement in the year they are payable.

#### *Leases*

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the lease.

#### *Segmental reporting*

Phlexglobal Holdings Limited has only one segment, therefore the financial statements themselves present the segmental information.

#### *Reserves*

The company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Profit and loss account represents cumulative profit or loss.

### 2 Interest payable and similar charges

	2015 £	2014 £
Loan note interest	-	1,490,940

# Phlexglobal Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 December 2015 (*continued*)

## 3 Taxation

	2015 £	2014 £
<i>UK corporation tax</i>		
Current tax on loss for the year	-	-
	<hr/>	<hr/>
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
	<hr/>	<hr/>
Taxation charge on loss on ordinary activities	-	-
	<hr/>	<hr/>

The tax assessed for the year differs to the standard rate of corporation tax in the UK applied to the result before tax. The differences are explained below:

	2015 £	2014 £
Loss on ordinary activities before tax	-	(1,668,392)
	<hr/>	<hr/>
Loss on ordinary activities at the standard rate of corporation tax in the UK of 20.25% (2014 - 21.5%)	-	(358,704)
Effects of: Expenses not deductible for tax purposes	-	358,704
	<hr/>	<hr/>
Total tax	-	-
	<hr/>	<hr/>

# Phlexglobal Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 December 2015 (*continued*)

## 4 Fixed asset investments

Subsidiary  
undertakings  
£

*Cost*

At 1 January 2015 and 31 December 2015

75,000

The company had the following subsidiary undertakings at 31 December 2015.

Name	Country of incorporation or registration	Proportion of voting rights and ordinary share capital held	Nature of business
<i>Subsidiary undertakings</i>			
Phlexglobal Group Limited	England and Wales	Ordinary, 100%	Holding company
Phlexglobal Limited (*)	England and Wales	Ordinary, 100%	The provision of clinical research services
Phlexglobal Inc (*)	USA	Ordinary, 100%	The provision of clinical research services

(\*) held indirectly

## 5 Debtors

	2015 £	2014 £
Amounts due from group companies	3,567,726	3,567,726

All amounts fall due for repayment in less than one year.

## 6 Creditors: amounts falling due within one year

	2015 £	2014 £
Amounts due to group companies	5,586,124	5,586,124
Accruals and deferred income	18,900	18,900
	5,605,024	5,605,024

# Phlexglobal Holdings Limited

Notes forming part of the financial statements  
for the year ended 31 December 2015 (*continued*)

## 7 Share capital

	Allotted, called up and fully paid	
	2015	2014
	£	£
Preferred ordinary shares of 1p each	75,000	75,000
Ordinary shares of 1p each	23,000	23,000
Ordinary B shares of 1p each	15,360	15,360
	<hr/>	<hr/>
	113,360	113,360
	<hr/>	<hr/>

All shares are entitled to one vote per share. No class of share is redeemable.

## 8 Commitments under operating leases

The company had no commitments.

## 9 Ultimate parent undertaking and controlling party

As at 31 December 2015 the immediate parent undertaking of the smallest group of undertakings was Emerald Bidco Limited.

The ultimate parent undertaking of the largest group of undertakings is Emerald Topco Limited. Consolidated accounts are prepared, and are available from Companies House.

The ultimate controlling party are certain funds advised by Bridgepoint Development Capital.