

**CONSORT MEDICAL FINANCE LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2019**

**Registered Number: 09366213**



## **CONSORT MEDICAL FINANCE LIMITED**

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**CONSORT MEDICAL FINANCE LIMITED**

**OFFICERS AND ADVISERS**

<b>Directors</b>	J M Glenn P Hayes
<b>Company Secretary</b>	A Jackson (appointed 7 September 2018) P Hayes (resigned 7 September 2018)
<b>Registered Office</b>	Suite B, Breakspear Park Breakspear Way Hemel Hempstead Hertfordshire HP2 4TZ United Kingdom
<b>Registered Number</b>	09366213
<b>Independent Auditor</b>	KPMG LLP 15 Canada Square London United Kingdom E14 5GL

## CONSORT MEDICAL FINANCE LIMITED

### STRATEGIC REPORT

The directors present their Strategic report for the year ended 30 April 2019.

#### Principal activities, review of business and future developments

The Company's principal activity is to act as a holding company. There has been no change in the activity during the year. The result for the financial year was a profit of €2,875,000 (FY2018: €2,838,000). The Company has net assets of €29,164,000 (30 April 2018: €26,289,000). The directors do not anticipate any significant change in the principal activities of the business in the foreseeable future.

#### Results and dividends

The Company's profit for the financial year of €2,875,000 has been transferred to reserves. The directors do not recommend payment of an ordinary dividend (FY2018: €nil).

#### Key performance indicators

The financial key performance indicators ("KPIs") of the Consort Medical plc Group include sustained revenue and earnings growth. These have been discussed on a group-wide basis, including the Company, in the section "Key performance indicators" of the strategic report within the Consort Medical plc annual report which does not form part of this report.


#### Brexit

On June 23, 2016, the United Kingdom (U.K.) held a referendum in which voters approved an exit from the E.U., commonly referred to as "Brexit". As a result of the referendum, it is expected that the British government will begin negotiating the terms of the U.K.'s future relationship with the E.U. Although it is unknown what those terms will be, it is possible that there will be greater restrictions on imports and exports between the U.K. and E.U. countries and increased regulatory complexities. It is unknown at this time if Brexit will have a material impact on our business.

#### Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks and uncertainties. These have been described for the Consort Medical plc Group, including the Company, within Consort Medical plc's annual report and financial statements, which does not form part of this report.

On behalf of the Board



P Hayes  
Director

9<sup>th</sup> August 2019

## **CONSORT MEDICAL FINANCE LIMITED**

### **DIRECTORS' REPORT**

The directors present their report and the audited financial statements of the Company for the year ended 30 April 2019.

#### **General information**

The Company is a limited liability company incorporated and domiciled in England and Wales.

#### **Directors**

The directors of the Company who held office during the year and up to the date of signing the financial statements were as follows:

J M Glenn

P Hayes

#### **Financial risk management and capital**

The Company's only significant transactions are with its parent company, Consort Medical plc, and with fellow subsidiaries. There are no significant external risks and uncertainties. The Company is dependent upon its parent company for financing requirements.

#### **Disclosure of information to auditor**

In the case of each director, so far as each is aware, there is no relevant audit information of which the Company's auditor is unaware. Each director has taken all the steps he or she needs to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### **Future developments**

Future developments have been disclosed in the Strategic report.

#### **Dividends**

Details of dividends are disclosed in the Strategic report.

#### **Political and charitable contributions**

The Company made no political donations or incurred any political expenditure during the year.

#### **Directors' indemnities and liability insurance**

Qualifying third-party indemnity arrangements are in place for the benefit of directors in a form and scope which comply with the requirements of the Companies Act 2006. The indemnity was in force throughout the financial year and up to the date of approval of the financial statements. Insurance cover is in force in respect of personal liabilities which may be incurred by directors and officers in the course of their service with the Consort Medical plc Group.

#### **Independent Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.


**CONSORT MEDICAL FINANCE LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

**Going concern**

The Company made a profit for the financial year of €2,875,000 (FY2018: €2,838,000) and at the balance sheet date its current liabilities exceeded its current assets by €122,690,000 (30 April 2018: current assets exceeded its current liabilities €26,289,000). The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors have received confirmation that Consort Medical plc intends to enable the Company to meet third party liabilities for at least one year after these financial statements are signed.

On behalf of the Board



**P Hayes**  
Director

9<sup>th</sup> August 2019

**Registered office:**

Suite B, Breakspear Park  
Breakspear Way  
Hemel Hempstead  
Hertfordshire  
HP2 4TZ  
United Kingdom

## STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the Board



**P Hayes**  
Director

9<sup>th</sup> August 2019

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONSORT MEDICAL FINANCE LIMITED**

### **Opinion**

We have audited the financial statements of Consort Medical Finance Limited ("the company") for the year ended 30 April 2019 which comprise the Income Statement, Statement of Comprehensive income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **The impact of uncertainties due to the UK exiting the European Union on our audit**

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONSORT MEDICAL FINANCE LIMITED (CONTINUED)**

- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

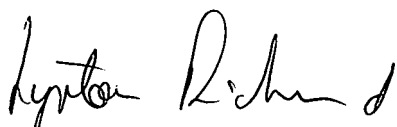
### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



**Lynton Richmond (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL

Date:

14<sup>th</sup> August 2019

**CONSORT MEDICAL FINANCE LIMITED****INCOME STATEMENT**

For the year ended 30 April 2019

	Notes	2019 €000	2018 €000
Interest receivable	4	3,005	2,945
<b>Profit on ordinary activities before taxation</b>		<b>3,005</b>	<b>2,945</b>
Tax on profit on ordinary activities	5	(130)	(107)
<b>Profit for the financial year</b>		<b>2,875</b>	<b>2,838</b>

**STATEMENT OF COMPREHENSIVE INCOME**

For the year ended 30 April 2019

	2019 €000	2018 €000
Profit for the financial year	2,875	2,838
<b>Total comprehensive income for the year</b>	<b>2,875</b>	<b>2,838</b>

The profit for the financial year and total comprehensive income for the year are attributable to the equity owners of the parent.

The accompanying notes on pages 12 to 15 are an integral part of the financial statements.

**CONSORT MEDICAL FINANCE LIMITED****BALANCE SHEET**

As at 30 April 2019

	Notes	2019 €000	2018 €000
<b>Current assets</b>			
Amounts due from group companies	6	-	148,850
<b>Non-current assets</b>			
Amounts due from group companies	6	151,854	-
<b>Total assets</b>		<b>151,854</b>	<b>148,850</b>
<b>Creditors: amounts falling due within one year</b>			
Amounts due to group companies	7	(122,444)	(122,242)
Taxation		(246)	(319)
		<b>(122,690)</b>	<b>(122,561)</b>
<b>Net current (liabilities)/assets</b>		<b>(122,690)</b>	<b>26,289</b>
<b>Net assets</b>		<b>29,164</b>	<b>26,289</b>
<b>Equity</b>			
Called up share capital	8	-	-
Share premium	8	17,939	17,939
Profit and loss account		11,225	8,350
<b>Total shareholders' funds</b>		<b>29,164</b>	<b>26,289</b>

The accompanying notes on pages 12 to 15 are an integral part of the financial statements.

The financial statements on pages 9 to 15 were approved by the Board of directors and authorised for issue on 9/8/19 and signed on its behalf by:



**P Hayes**  
Director

Consort Medical Finance Limited  
Registered number: 09366213

**CONSORT MEDICAL FINANCE LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

As at 30 April 2019

	<b>Called up share capital €000</b>	<b>Share premium account €000</b>	<b>Profit and loss account €000</b>	<b>Total €000</b>
<b>Balance at 30 April 2017</b>	-	<b>17,939</b>	<b>5,512</b>	<b>23,451</b>
Profit for the year	-	-	2,838	<b>2,838</b>
<b>Balance at 30 April 2018</b>	-	<b>17,939</b>	<b>8,350</b>	<b>26,289</b>
Profit for the year	-	-	2,875	<b>2,875</b>
<b>Balance at 30 April 2019</b>	-	<b>17,939</b>	<b>11,225</b>	<b>29,164</b>

The accompanying notes on pages 12 to 15 are an integral part of the financial statements.

## **CONSORT MEDICAL FINANCE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **General information**

Consort Medical Finance Limited is a wholly owned subsidiary of Consort Medical plc, a public limited company listed on the London Stock Exchange. Consort Medical Finance Limited is incorporated in England and Wales, registered number 09366213. The nature of the Company's operations and its principal activities are set out in the Strategic report on page 3.

#### **1. Presentation of the financial statements and accounting policies**

##### **Basis of preparation**

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ('FRS 101') and the Companies Act 2006.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d), (statement of cash flows)
  - 16 (statement of compliance with all IFRS),
  - 38A (requirement for minimum of two primary statements, including cash flow statements),
  - 38B-D (additional comparative information),
  - 40A-D (requirements for a third statement of financial position)
  - 111 (cash flow statement information), and
  - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements of IAS 24 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group whereby a subsidiary who is a party to the transaction is wholly owned by such a member.
- Paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'

##### **Accounting convention**

The financial statements have been prepared using the historic cost convention, as modified by certain financial assets and financial liabilities (including derivative financial instruments) at fair value. The specific accounting policies adopted, which have been approved by the Board, are described within this note and have been applied consistently in all years presented.

##### **Going concern basis**

The Company made a profit for the financial year of €2,875,000 (FY2018: €2,838,000) and at the balance sheet date its current liabilities exceeded its current assets by €122,690,000 (30 April 2018: current assets exceeded its current liabilities €26,289,000). The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The financial statements continue to be prepared on a going concern basis. The directors have received confirmation that Consort Medical plc intends to enable the Company to meet third party liabilities for at least one year after these financial statements are signed.

## **CONSORT MEDICAL FINANCE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

#### **1. Presentation of the financial statements and accounting policies (continued)**

##### **Taxation**

The charge for current taxation is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using rates that have been enacted, or substantially enacted, by the balance sheet date.

##### **Non-derivative financial instruments**

Non-derivative financial instruments comprise trade and other receivables, loans and borrowings and trade and other payables.

##### **Foreign currencies**

Items included in the financial statements of the Company are measured using that entity's functional currency, which is the currency of the primary economic environment in which the Company operates ('functional currency'). The financial statements are presented in 'Euros' (€) which is also the company's functional currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

##### **Critical accounting estimates and judgements**

The Company makes estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below.

##### **A) Carrying value of intercompany balances**

In assessing the carrying value of the Company's intercompany balances, the directors take into account the net assets of the corresponding companies and the trading forecasts of those companies. The trading forecasts contain estimates and assumptions around future profitability and cash generation.

##### **Adoption of new and revised standards**

The following new standards and amendments have been applied for the first time during the year commencing 1 May 2018 but are not expected to have a material impact on the Company:

Amendments to IFRS 2 - Classification and Measurement of Share-based Payment Transactions  
IFRIC 22 - Foreign Currency Transactions and Advance Consideration  
Annual Improvements to IFRS standards (2014-2016 cycle) - Amendments to IFRS 1 and IAS 28  
IFRS 15 – Revenue from contracts with customer  
IFRS 9 – Financial Instruments (2014)

The following accounting standards are not relevant to the Company and have not been early adopted:

IFRS 16 – Leases  
IFRIC 23 – Uncertainty over Income Tax Treatments

# **CONSORT MEDICAL FINANCE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **2. Audit fees**

The audit fees of the Company of €2,825 (FY2018: €2,825) have been borne by the ultimate parent undertaking, Consort Medical plc.

### **3. Employees**

The company had no employees during the year. J. Glenn and P. Hayes are also directors of the ultimate parent undertaking, Consort Medical plc. A. Jackson is Company Secretary of the ultimate parent undertaking, Consort Medical plc. Details of their remuneration for services to the group as a whole are disclosed in the consolidated financial statements of Consort Medical plc, which are publicly available as set out in note 9. It is not practically possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries however management do not deem the time spent on this subsidiary to be material.

### **4. Interest receivable**

	<b>2019</b>	2018
	<b>€000</b>	€000
Interest receivable on intercompany loans	<b>3,005</b>	2,945
	<hr/>	<hr/>

### **5. Tax on profit on ordinary activities**

	<b>2019</b>	2018
	<b>€000</b>	€000
Current tax arising in the UK		
Corporation tax expense at 19% (FY2018: 19%)	<b>130</b>	107
	<hr/>	<hr/>

### **Reconciliation to UK statutory rate**

The tax assessed for the year is lower (FY2018: lower) than the standard rate of corporation tax in the UK. The differences are explained below.

	<b>2018</b>	2017
	<b>€000</b>	€000
Profit on ordinary activities before tax	<b>3,005</b>	2,945
	<hr/>	<hr/>
Tax at UK corporation tax rate of 19% (FY2018: 19%)	<b>571</b>	560
Tax effect of non-taxable items	<b>(441)</b>	(442)
Adjustments in respect of prior periods	-	(11)
	<hr/>	<hr/>
Tax on profit on ordinary activities	<b>130</b>	107
	<hr/>	<hr/>

**CONSORT MEDICAL FINANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**6. Amounts due from group companies**

**Amounts falling due within one year:**

	<b>2019</b>	<b>2018</b>
	<b>€000</b>	<b>€000</b>
Amounts due from group companies	-	148,850

**Amounts falling due after more one year:**

	<b>2019</b>	<b>2018</b>
	<b>€000</b>	<b>€000</b>
Amounts due from group companies	151,854	-

Amounts are unsecured and repayable on demand. Interest is charged at amounts linked to EURIBOR.

**7. Amounts due to group companies**

	<b>2019</b>	<b>2018</b>
	<b>€000</b>	<b>€000</b>
Amounts due to group companies	122,444	122,242

Amounts are unsecured, interest free and repayable on demand.

**8. Called up share capital**

	<b>2019</b>	<b>2018</b>
	<b>€000</b>	<b>€000</b>
<b>Allotted, called up and fully paid:</b>		
151 (FY2018: 151) ordinary shares of €1 (FY2018: €1)	-	-
Share premium	17,939	17,939

**9. Parent undertaking and controlling party**

The immediate parent undertaking is Bepak Holdings Limited, which owns 100% of the Company's share capital. The Company's ultimate parent undertaking and controlling party is Consort Medical plc and consolidated group financial statements, which include Consort Medical Finance Limited, are available from Consort's registered office at Breakspear Park, Breakspear Way, Hemel Hempstead, HP2 4TZ.

**10. Contingent liabilities**

The Company is party to a cross-guarantee agreement to the benefit of its ultimate parent, Consort Medical plc, in respect of the Group's multi-currency revolving credit facility with HSBC Bank plc, the Royal Bank of Canada, Lloyds Bank plc, National Westminster Bank plc and Commerzbank. At 30 April 2019 the outstanding balance of these borrowings amounted to £110.9m (30 April 2018: £117.3m).