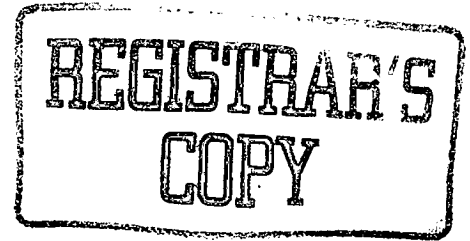


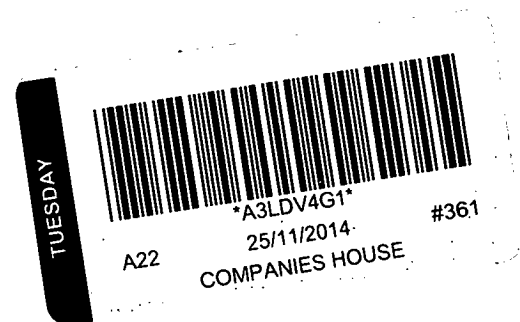
Registered number: OC336567



**CELTIC PHARMA HOLDINGS ADVISORS LLP**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2014**



**GSM&Co**

Griffin Stone Moscrop & Co  
CHARTERED ACCOUNTANTS & REGISTERED AUDITORS

Together, we'll build better business

# **CELTIC PHARMA HOLDINGS ADVISORS LLP**

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## CELTIC PHARMA HOLDINGS ADVISORS LLP

### INFORMATION

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<b>Designated members</b>	M. J. Earl G. L. Iliffe S. B. Parker (resigned 25 November 2013) Beehive Capital LLP
<b>Members</b>	R. Garraway W. J. Henry Ms. L. Summerton (resigned 31 March 2014)
<b>LLP registered number</b>	OC336567
<b>Registered office</b>	Leverton House 13 Bedford Square London WC1B 3RA
<b>Independent auditors</b>	Griffin Stone Moscrop & Co Chartered Accountants Statutory Auditors 21-27 Lamb's Conduit Street London WC1N 3GS

## CELTIC PHARMA HOLDINGS ADVISORS LLP

### MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2014

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The members present their annual report together with the audited financial statements of Celtic Pharma Holdings Advisors LLP ("the LLP") for the year ended 31 March 2014.

#### Principal activity

The principal activity of the LLP is the provision of financial advice to private equity funds.

The results for the year and the financial position at the year end were considered satisfactory by the members.

#### Designated members

The following designated members have held office since 1 April 2013 and up to the date of approval of the financial statements, unless otherwise stated:

M. J. Earl  
G. L. Iliffe  
S. B. Parker (resigned 25 November 2013)  
Beehive Capital LLP

#### Policy on members' drawings

The members' drawings policy allows each member to draw a proportion of their profit share, subject to the cash requirements of the business.

A member's capital requirement is linked to their share of profit and the financing requirement of the limited liability partnership. There is no opportunity for appreciation of the capital subscribed. Just as incoming members introduce their capital at "par", so retiring members are repaid their capital at "par".

#### Statement of members' responsibilities

The members are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law, as applied to LLPs, requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, as applied to LLPs, the members 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 LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP 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 LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CELTIC PHARMA HOLDINGS ADVISORS LLP

MEMBERS' REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2014

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**Auditors**

Griffin Stone Moscrop & Co are deemed to be re-appointed in accordance with an elective resolution made under section 386(1) of the Companies Act 1985 which continues in force under the Companies Act 2006 (as applied to limited liability partnerships).

This report was approved by the members on 11.7.14 and signed on their behalf by:

  
.....  
Beehive Capital LLP  
Designated member

## **CELTIC PHARMA HOLDINGS ADVISORS LLP**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CELTIC PHARMA HOLDINGS ADVISORS LLP**

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We have audited the financial statements of Celtic Pharma Holdings Advisors LLP for the year ended 31 March 2014, which comprise the profit and loss account, the balance sheet, the cash flow statement 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).

This report is made solely to the LLP's members in accordance with the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an auditors' 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 LLP and the LLP's members for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of members and auditors**

As explained more fully in the members' responsibilities statement set out on pages 2 and 3, the members 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 Auditing Practices Board's Ethical Standards for Auditors.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the members' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2014 and of its profit 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, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

**CELTIC PHARMA HOLDINGS ADVISORS LLP**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CELTIC PHARMA HOLDINGS ADVISORS  
LLP**

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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, as applied to limited liability partnerships, 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
- we have not received all the information and explanations we require for our audit.

Richard Hill

Richard Hill (senior statutory auditor)

for and on behalf of  
**Griffin Stone Moscrop & Co**

Chartered Accountants  
Statutory Auditors

21-27 Lamb's Conduit Street  
London  
WC1N 3GS

Date:

16 July 2014

CELTIC PHARMA HOLDINGS ADVISORS LLP

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 £	2013 £
Turnover	1,2	558,287	1,270,328
Administrative expenses		(476,731)	(637,689)
<b>Operating profit</b>	3	81,556	632,639
Interest receivable and similar income	7	272	430
<b>Profit for the financial year before members' remuneration and profit shares available for discretionary division among members</b>		81,828	633,069

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

The notes on pages 9 to 15 form part of these financial statements.

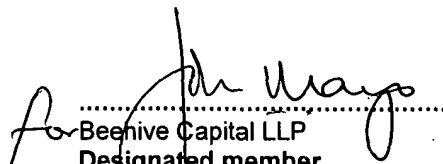


**CELTIC PHARMA HOLDINGS ADVISORS LLP**  
**REGISTERED NUMBER: OC336567**

**BALANCE SHEET**  
**AS AT 31 MARCH 2014**

	Note	£	2014 £	£	As restated 2013 £
<b>Fixed assets</b>					
Tangible assets	9		22,999		11,538
<b>Current assets</b>					
Debtors	10	543,741		1,870,114	
Cash at bank		633,579		401,734	
		<u>1,177,320</u>		<u>2,271,848</u>	
<b>Creditors: amounts falling due within one year</b>	11	(747,914)		(1,432,254)	
<b>Net current assets</b>			429,406		839,594
<b>Total assets less current liabilities</b>			452,405		851,132
<b>Provisions for liabilities</b>					
Other provisions	12		(210,000)		(190,000)
<b>Net assets attributable to members</b>			<u>242,405</u>		<u>661,132</u>
<b>Represented by:</b>					
<b>Equity</b>					
Members' other interests - Other reserves classified as equity under FRS 25		10,000		10,000	
Other reserves		<u>232,405</u>		<u>651,132</u>	
			<u>242,405</u>		<u>661,132</u>
<b>Total members' interests</b>					
Members' other interests			<u>242,405</u>		<u>661,132</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf by:

  
 .....  
 Beehive Capital LLP  
 Designated member  
 Date: 11.7.14

The notes on pages 9 to 15 form part of these financial statements.

**CELTIC PHARMA HOLDINGS ADVISORS LLP**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	15	750,055	(920,757)
Returns on investments and servicing of finance	16	272	430
Capital expenditure and financial investment	16	(17,927)	(13,407)
Net cash flow from transactions with members	16	(500,555)	(33,129)
<b>Increase/(decrease) in cash in the year</b>		<u>231,845</u>	<u>(966,863)</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS  
FOR THE YEAR ENDED 31 MARCH 2014**

	2014 £	2013 £
Increase/(decrease) in cash in the year	231,845	(966,863)
<b>Movement in net funds in the year</b>	231,845	(966,863)
Net funds at 1 April	401,734	1,368,597
<b>Net funds at 31 March</b>	<u>633,579</u>	<u>401,734</u>

The notes on pages 9 to 15 form part of these financial statements.

## CELTIC PHARMA HOLDINGS ADVISORS LLP

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

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#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships", which have been applied consistently (except as otherwise stated).

##### 1.2 Turnover

Turnover comprises revenue recognised by the LLP in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

##### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Short-term leasehold property	-	over the term of the lease
Fixtures and fittings	-	3 - 5 years on a straight-line basis
Computer equipment	-	3 years on a straight-line basis

##### 1.4 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

##### 1.5 Taxation

Taxation payable on the LLP's profits is solely the personal liability of the members and consequently neither taxation nor deferred taxation are accounted for in the financial statements.

##### 1.6 Drawings

Each member is allowed to draw a proportion of their profit share, subject to the cash requirements of the business.

## CELTIC PHARMA HOLDINGS ADVISORS LLP

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

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#### 1. Accounting policies (continued)

##### 1.7 Members' participation rights

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are from the LLP's perspective, either a financial liability or equity, in accordance with FRS 25 (IAS 32) 'Financial Instruments Disclosure and Presentation' and UITF Abstract 39 'Members' shares in co-operative entities and similar instruments'. A members' participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity; if the LLP has an unconditional right such amounts are classified as liabilities.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the profit and loss account and are equity appropriations in the balance sheet.

Other amounts applied to members, for example, remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

Amounts due to members that are classified as equity are shown in the balance sheet within members' other interests. Participation rights are classified as equity as they are discretionary.

#### 2. Turnover

The total turnover of the LLP for the year has been derived from its principal activity.

#### 3. Operating profit

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

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the LLP	6,466	4,984
Difference on foreign exchange	(74,166)	48,784
	<u>          </u>	<u>          </u>

**CELTIC PHARMA HOLDINGS ADVISORS LLP**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**4. Auditors' remuneration**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Fees payable to the LLP's auditors and its associates for the audit of the LLP's annual accounts	5,500	4,200
Fees payable to the LLP's auditor and its associates in respect of: All other non-audit services not included above	5,500	3,000
	<u>5,500</u>	<u>3,000</u>

**5. Information in relation to members**

	<b>2014</b>	<b>2013</b>
	<b>Number</b>	<b>Number</b>
Average number of members during the year	7	8
	<u>7</u>	<u>8</u>

**6. Employees**

There were no employees during the year.

**7. Interest receivable and similar income**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Other interest receivable	272	430
	<u>272</u>	<u>430</u>

**8. Profit share**

The member with the largest entitlement to a share of the profit for the year is Beehive Capital LLP. It is entitled to 75.9034% (2013 - 69.2308%) of the profits in accordance with its percentage of voting rights within the partnership. Its share of profit for the year is therefore £73,727 (2013 - £438,279).

CELTIC PHARMA HOLDINGS ADVISORS LLP

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014

9. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 April 2013	11,712	1,814	51,673	65,199
Additions	-	-	17,927	17,927
At 1 April 2011 and 31 March 2012	11,712	1,814	69,600	83,126
<b>Depreciation</b>				
At 1 April 2013	2,129	1,450	50,082	53,661
Charge for the year	2,555	363	3,548	6,466
At 31 March 2014	4,684	1,813	53,630	60,127
<b>Net book amount</b>				
At 31 March 2014	7,028	1	15,970	22,999
At 31 March 2013	9,583	364	1,591	11,538

10. Debtors

	2014 £	As restated 2013 £
Trade debtors	7,118	1,500,038
Amounts owed by related parties	163,368	107,453
Prepayments and accrued income	23,959	29,022
Amounts due from former members	90,985	90,985
Other debtors	258,311	142,616
	543,741	1,870,114

Amounts owed by related parties are unsecured, interest-free and have no fixed date of repayment.

The comparative figures have been restated as explained in Note 13.

11. Creditors:  
amounts falling due within one year

	2014 £	2013 £
Trade creditors	74,617	5,704
Accruals and deferred income	673,297	1,426,550
	747,914	1,432,254

CELTIC PHARMA HOLDINGS ADVISORS LLP

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014

12. Provisions

	Provision for dilapidation £
At 1 April 2013	190,000
Additions	20,000
At 31 March 2014	<u>210,000</u>

**Provision for dilapidation**

On the termination of the office lease in 2017, the company has a contractual obligation to make good the premises which it occupied at the balance sheet date. The amount provided for is an estimate of the cost of such repairs to date.

13. Prior year adjustment

Previously one member, Patrick Pico, took drawings of £312,339 in excess of his entitlement and at 31 March 2013 this amount was shown within the financial statements as being recoverable in full. It is now apparent that it was inaccurate to show the whole of this amount as recoverable and that £221,354 of this amount should always have been treated as an expense of the LLP. Accordingly at 31 March 2013 the debtor shown should have been £90,985.

To reflect this treatment a prior year adjustment has been made. This has resulted in the following:

- a) Members' interests brought forward at 1 April 2012 being decreased from £282,546 to £61,192; and
- b) Debtors at 31 March 2013 being decreased from £2,091,468 to £1,870,114.

14. Reconciliation of members' interests

	Members' capital (classified as equity) £	Other reserves £	Members' drawings £	Total 2014 £	As restated Total 2013 £
Members' interests brought forward (as restated)	10,000	651,132	-	661,132	61,192
Profit available for discretionary division among members	-	81,828	-	81,828	633,069
Members' interests after profit for the year	10,000	732,960	-	742,960	694,261
Allocated profit for period	-	(500,555)	500,555	-	-
Members' drawings	-	-	(500,555)	(500,555)	(33,129)
Members' interests carried forward	<u>10,000</u>	<u>232,405</u>	<u>-</u>	<u>242,405</u>	<u>661,132</u>

The comparative figures have been restated as explained in Note 13.

CELTIC PHARMA HOLDINGS ADVISORS LLP

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014

15. Net cash flow from operating activities

	2014 £	2013 £
Operating profit	81,556	632,639
Depreciation of tangible fixed assets	6,466	4,984
Decrease/(increase) in debtors	1,382,286	(1,213,420)
Increase in amounts owed by associates	(55,915)	(79,052)
Decrease in creditors	(684,338)	(455,908)
Increase in provisions	20,000	190,000
<b>Net cash inflow/(outflow) from operating activities</b>	<b>750,055</b>	<b>(920,757)</b>

16. Analysis of cash flows for headings netted in cash flow statement

	2014 £	2013 £
<b>Returns on investments and servicing of finance</b>		
Interest received	272	430
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(17,927)	(13,407)
<b>Transactions with members</b>		
Payments to members	(500,555)	(33,129)

17. Analysis of changes in net funds

	1 April 2013 £	Cash flow £	Other non-cash changes £	31 March 2014 £
Cash at bank and in hand	401,734	231,845	-	633,579
<b>Net funds</b>	<b>401,734</b>	<b>231,845</b>	<b>-</b>	<b>633,579</b>



CELTIC PHARMA HOLDINGS ADVISORS LLP

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014

18. Operating lease commitments

At 31 March 2014 the LLP had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2014	2013
	£	£
Expiry date:		
Between 2 and 5 years	110,000	110,000

19. Related party transactions

The limited liability partnership ('the LLP') had transactions during the year and balances at the year end with the following organisations which are considered to be related parties:

**Beehive Capital LLP** (registered in England & Wales)

- controlling member

Expenses recharged by the LLP: £418 (2013 - £nil)

Expenses charged to the LLP: £21,645 (2013 - £29,646)

Balance receivable as at 31 March 2014: £502 (2013 - £341)

**Celtic Pharma Holdings Advisors 3 LLP** (registered in England & Wales)

- fellow subsidiary

Balance receivable at 31 March 2014: £27,801 (2013 - £27,801)

**S A Investors Limited** (incorporated in England & Wales)

- related by way of common senior management

Expenses recharged by the LLP: £41,483 (2013 - £9,767)

Balance receivable as at 31 March 2014: £40,723 (2013 - £8,984)

**Pro Bono Bio Entrepreneur Limited** (incorporated in England & Wales)

- related by way of common senior management

IT and facility costs recharged by the LLP: £157,605 (2013 - £52,686)

Expenses charged to the LLP: £116,553 (2013 - £nil)

Balance receivable as at 31 March 2014: £86,979 (2013 - £63,223)

**Pro Bono Bio International Trading Limited** (incorporated in Malta)

- related by way of common senior management

IT and facility costs recharged by the LLP: £74,678 (2013 - £7,104)

Balance receivable as at 31 March 2014: £7,363 (2013 - £7,104)

20. Ultimate parent undertaking and controlling party

The LLP is under the control of its corporate member, Beehive Capital LLP, which held 75.9034% (2013 - 69.2308%) of the voting rights at the balance sheet date.