

***NOVA PHARMACEUTICALS
AUSTRALASIA PTY LTD***
A.C.N 104 838 440

**FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST MARCH, 2021**

NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD

ACN 104 838 440

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NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD
ACN 104 838 440

DIRECTORS' REPORT

The Directors present their report on the Company for the financial year ended 31st March 2021 as follows:-

1. DIRECTORS

The names of the Directors in office since the start of the financial year to the date of this report, unless otherwise stated, are:

H Mohammed
M Saldanha

O Mohammed
J M P Sharma

2. PRINCIPAL ACTIVITY

The principal activity of the Company during the financial year was that of Medicines Wholesaling. No significant change in the nature of these activities occurred during the year.

3. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant changes in the company's state of affairs occurred during the year.

4. REVIEW OF OPERATIONS

During the year ended 31st March 2021 the company earned a profit after tax of \$1,217,406.

5. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or state of affairs of the company in future financial years.

6. LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the company and the expected results of those operations in the future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

7. ENVIRONMENTAL REGULATION

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

8. DIVIDENDS

No dividends were paid during the year, and the Directors have decided that no final dividend be declared for the year ended 31st March 2021.

9. OPTIONS

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

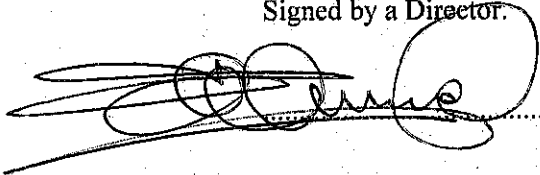
10. INDEMNIFICATION OF OFFICERS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

11. PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Signed by a Director.

..... Director

Dated at Bella Vista this 26th day of April 2021.

NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD

ACN 104 838 440

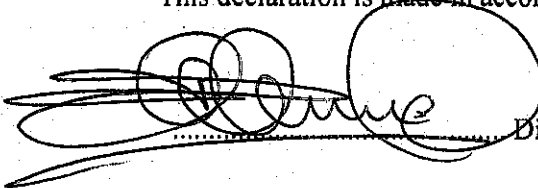
DIRECTORS' DECLARATION

The directors have determined that the company is not a reporting entity. The directors have determined that this special purposes financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes present fairly the company's financial position as at 31st March 2021 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors:


..... Director

Dated at Bella Vista this 26th day of April 2021.



CHARTERED ACCOUNTANTS
AUSTRALIA • NEW ZEALAND

DARSHAN DHILLON

Bsc(Hons), DMA,CA
Chartered Accountant, Tax Agent

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INDEPENDENT ACCOUNTANT'S REPORT TO

NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD

Scope

I have prepared the accompanying special purpose financial statements of NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD, which comprise the statement of financial position as at 31st March 2021, the statement of comprehensive income, the statement of profit or loss, the trading account, the notes to the financial statements, and the statement of cashflows for the year then ended.

The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

The Responsibility of the Directors of NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD

The directors of NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD are solely responsible for the information contained in the special purpose financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial statements were prepared.

My Responsibility

On the basis of information provided by the directors of NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD, I have prepared the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements.

Dated at Epping, this 26th day of April 2021

D. Dhillon

Darshan Dhillon

NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD
ACN 104 838 440

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2021

	NOTE	2021	2020
CURRENT ASSETS			
Cash	2	1,724,439	3,350,169
Receivables	3	3,640,561	6,113,677
Inventories	4	7,973,635	2,842,835
		<u>13,338,635</u>	<u>12,306,681</u>
NON-CURRENT ASSETS			
Investments	5	94	94
PROPERTY PLANT AND EQUIPMENT	6	107,955	-
INTELLECTUAL PROPERTY	7	893,333	-
		<u>1,001,382</u>	<u>94</u>
TOTAL ASSETS		<u>14,340,017</u>	<u>12,306,775</u>
CURRENT LIABILITIES			
Creditors & Borrowings	8	5,863,396	5,047,560
TOTAL LIABILITIES		<u>5,863,396</u>	<u>5,047,560</u>
NET ASSETS		<u>\$ 8,476,621</u>	<u>\$ 7,259,215</u>
SHARE CAPITAL AND RESERVES			
Share Capital		150	150
Accumulated Profit		8,476,470	7,259,065
TOTAL CAPITAL & RESERVES		<u>\$ 8,476,620</u>	<u>\$ 7,259,215</u>

NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD
ACN 104 838 440

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH 2021

	NOTE	2020
Profit		
Before Income Tax	1,611,856	2,663,279
Income Tax Expense	394,450	732,072
	<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1,217,406	1,931,207
Retained Profits at July 1	7,259,064	5,327,858
	<hr/>	<hr/>
PROFIT AVAILABLE FOR APPROPRIATION	8,476,470	7,259,065
	<hr/>	<hr/>
RETAINED PROFITS	\$ 8,476,470	\$ 7,259,065
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NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD
ACN 104 838 440

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31ST MARCH 2021

	NOTE	2020
INCOME		
Gross Profit Trading	9,055,775	9,727,556
Interest Received	786	3,098
JobKeeper-Taxable	295,500	-
Cash Boost-Tax-Free	100,000	-
	<hr/>	<hr/>
TOTAL INCOME	9,452,061	9,730,654
EXPENSES		
Accountancy	9,110	5,760
Advertising & Selling	1,536,260	1,473,870
Audit & Inspections	9,561	480
Bank Charges	2,042	2,377
Cleaning	9,212	4,050
Consultants Fees	426,685	333,472
Computer Supplies	5,380	10,784
Depreciation	60,779	93,989
Donations	-	227
Electricity	9,316	5,817
Filing Fees	2,142	526
Freight & Cartage	1,160,289	1,088,806
Insurance	48,241	45,810
Interest	18,058	7,389
Legal Costs	58,476	-
Licences & Registrations	493,221	608,825
Motor Vehicle Expenses	11,061	7,147
Office Expenses	17,668	14,184
Payroll Tax	68,065	73,067
Printing & Stationery	13,131	7,825
Rent	223,090	240,824
Repairs & Maintenance	23,992	13,137
Salaries	2,490,700	2,216,004
Staff Recruitment&Amenities	15,976	35,704
Storage	525,056	260,944
Superannuation	241,338	204,548
Telephone & Internet	21,709	20,948
Testing Fees	98,577	32,932
Travelling Expenses	50,724	95,864
Warehouse Expenses	190,346	162,065
	<hr/>	<hr/>
TOTAL EXPENSES	7,840,205	7,067,375
OPERATING PROFIT BEFORE INCOME TAX	1,611,856	2,663,279

NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD
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STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31ST MARCH 2021

	NOTE	2020
Income Tax Expense	394,450	732,072
OPERATING PROFIT FOR THE YEAR	<u>1,217,406</u>	<u>1,931,207</u>
OPERATING PROFIT AND EXTRAORDINARY ITEMS	1,217,406	1,931,207
Retained Profits at July 1	<u>7,259,064</u>	<u>5,327,858</u>
PROFIT AVAILABLE FOR APPROPRIATION	<u>8,476,470</u>	<u>7,259,065</u>
RETAINED PROFITS	<u>\$ 8,476,470</u>	<u>\$ 7,259,065</u>

NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD
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TRADING ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2021

	NOTE	2020
Sales	25,144,676	26,936,477
LESS COST OF SALES		
Opening Stock	2,842,835	3,791,307
Purchases	21,707,755	16,126,026
Foreign Exchange	(488,054)	134,423
	<u>24,062,536</u>	<u>20,051,756</u>
Closing Stock	7,973,635	2,842,835
	<u>16,088,901</u>	<u>17,208,921</u>
TOTAL TRADING PROFIT	\$ <u>9,055,775</u>	\$ <u>9,727,556</u>

NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD
ACN 104 838 440

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

NOTE 1 - Statement of Significant Accounting Policies

Nova Pharmaceuticals Australasia Pty Ltd is a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members and to meet the requirements of the Corporations Act 2001. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report has been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values. The amounts presented in the financial statements have been rounded to the nearest dollar.

The significant accounting policies that have been adopted in the preparation of the financial statements are as follows:

1) Income Tax

The income tax expense, if any, for the year comprises current income tax expense. Current income tax charged to the profit or loss is the tax payable on income calculated using applicable income tax rates applicable at the end of the reporting period.

2) Property, Plant & Equipment

All depreciable assets are depreciated in accordance with rates prescribed by the Australian Tax Office.

3) Trade and Other Receivables

Trade receivables are measured at transaction price less any provision for impairment.

4) Inventories

The inventories held at the balance sheet date are measured at lower of cost and the net realisable value.

5) Provisions

NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD
ACN 104 838 440

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

Provisions are recognised when the company has a legal or constructive obligation, for which it is probable that an outflow of economic benefits will result. The provision is the best estimate of the amounts required to settle the obligation at the end of the reporting period.

6) Revenue

All revenue is stated net of, if any, goods and services tax. Revenue is measured at the value of the consideration received or receivable.

7) Leases

Lease payments for operating leases are recognised as expenses on a straight-line basis over the lease term.

8) Critical Accounting Estimates

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information.

The registered office and the principal place of business of the company is at Suite 305, 10 Norbrik Drive, Bella Vista, NSW, 2153.

2020

NOTE 2 - Cash

Cash in Hand	702	-
Westpac Cheque account	421,824	1,647,562
Westpac Business Cash Reserve	1,300,145	1,701,456
USD account	1,768	1,151
	<u>\$ 1,724,439</u>	<u>\$ 3,350,169</u>

NOTE 3 - Current

Trade Debtors	2,920,504	5,574,294
Income Tax Refund due	272,863	156,176
Prepayments	46,843	52,112
Payments-in-Advance	393,216	327,260
Deposits Refundable	7,135	3,835
	<u>\$ 3,640,561</u>	<u>\$ 6,113,677</u>

NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

2020

NOTE 4 - Current

Stock	\$ <u>7,973,635</u>	\$ <u>2,842,835</u>
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NOTE 5 - Non Current

Shares in Nova Pharmaceuticals Ltd-Wholly owned subsidiary	\$ <u>94</u>	\$ <u>94</u>
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NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD
ACN 104 838 440

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

2020

NOTE 6 - PROPERTY PLANT AND EQUIPMENT

Office Equipment - at Cost	46,613	39,594
Less Prov'n for Depreciation	<u>46,613</u>	<u>39,594</u>
	-	-
Motor Vehicles - at Cost	309,908	148,193
Less Prov'n for Depreciation	<u>201,953</u>	<u>148,192</u>
	107,955	1
Warehouse Equipment-at Cost	30,000	30,000
Less Prov'n for Depreciation	<u>30,000</u>	<u>30,001</u>
	-	(1)
	<u>\$ 107,955</u>	<u>\$ -</u>

NOTE 7 - INTELLECTUAL PROPERTY

Intellectual Property	<u>\$ 893,333</u>	\$ -
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NOTE 8 - Current

Credit Cards	75,894	-
Trade Creditors	5,627,891	4,779,907
Accrued Expenses	<u>159,611</u>	<u>267,653</u>
	<u>\$ 5,863,396</u>	<u>\$ 5,047,560</u>

NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD
A.C.N 104 838 440
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31ST MARCH 2021

	A\$ 2021	A\$ 2020
Cashflows generated by Operating Activities:		
Receipts from Customers	27,798,466	23,809,743
Payments to Suppliers & Employees	-28,740,357	-21,479,426
Government Subsidies	395,500	
Interest Received	786	3,098
Interest Paid	-18,058	-7,389
Net Cash used by Operating Activities(per Note below):	<u>-563,663</u>	<u>2,326,026</u>
Cashflows to Investing Activities:		
Payments for Equipment	168,734	-3,269
Payments for Intellectual Property	893,333	
	<u>-1,062,067</u>	
Net Decrease in Cash	<u>-1,625,730</u>	<u>2,322,757</u>
Cash at the beginning of the financial year	3,350,169	1027412
	<u>1,724,439</u>	<u>3,350,169</u>
Cash at the end of the Financial year:		
Petty Cash	702	
Cheque account	421,824	1,647,562
USD account	1,768	1,152
Business Saver account	1,300,145	1,701,455
	<u>1,724,439</u>	<u>3,350,169</u>

Note to the Statement of Cashflows

Reconciliation of Net Cash generated by Operating Activities to Profit after Income Tax for the financial year:

Profit after Income Tax	1,217,406	1,931,207
Depreciation	60,779	93,989
Increase in Inventory	-5,130,800	948,471
Increase in Trade Creditors & Accruals	815,836	2,329,585
Increase in Income Tax Refund due	-116,887	-126,306
Decrease in Trade Debtors & Prepayments	2,589,803	-2,850,920
Net Cash used by Operating Activities	<u>-563,663</u>	<u>2,326,026</u>