

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

**FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

**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 2020 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

O Mohammed

M Saldanha

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 2020 the company earned a profit after tax of \$1,931,207.

**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 2020.

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.

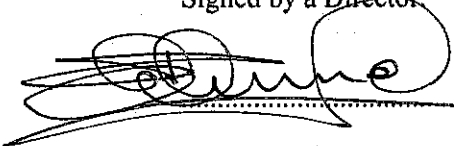
10. INDEMNIFICATION OF OFFICERS

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 22nd day of April 2020.

**NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD**

**ACN 104 838 440**

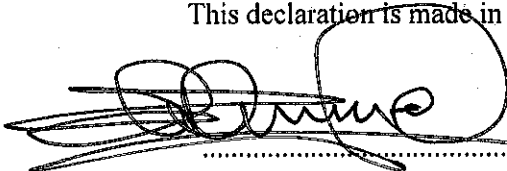
**DIRECTORS' DECLARATION**

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 2020 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 22nd day of April 2020.



**DARSHAN DHILLON**  
Bsc(Hons), DMA, CA  
Chartered Accountant, Tax Agent

Telephone: (02)9876 2678  
Facsimile: (02)9876 1164  
Email: darshan.info@bigpond.com

**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 2020, 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 22nd day of April 2020

*D. Dhillon*  
Darshan Dhillon

**NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD**  
**ACN 104 838 440**

**STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2020**

	NOTE	2019
<b>CURRENT ASSETS</b>		
Cash	2	3,350,169
Receivables	3	6,113,677
Inventories	4	2,842,835
		<u>12,306,681</u>
		<u>8,081,475</u>
<b>NON-CURRENT ASSETS</b>		
Investments	5	94
PROPERTY PLANT AND EQUIPMENT	6	-
		<u>90,720</u>
		<u>94</u>
		<u>90,814</u>
<b>TOTAL ASSETS</b>		<u>12,306,775</u> <u>8,172,289</u>
<b>CURRENT LIABILITIES</b>		
Creditors & Borrowings	7	5,047,560
Provisions	8	-
		<u>126,306</u>
		<u>5,047,560</u>
		<u>2,844,281</u>
<b>TOTAL LIABILITIES</b>		<u>5,047,560</u> <u>2,844,281</u>
<b>NET ASSETS</b>		<u>\$ 7,259,215</u> <u>5,328,008</u>
<b>SHARE CAPITAL AND RESERVES</b>		
Share Capital		150
Accumulated Profit		7,259,065
		<u>5,327,858</u>
<b>TOTAL CAPITAL &amp; RESERVES</b>		<u>\$ 7,259,215</u> <u>5,328,008</u>

**NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD**  
**ACN 104 838 440**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

	NOTE	2019
Profit		
Before Income Tax	2,663,279	2,639,957
Income Tax Expense	<u>732,072</u>	<u>733,558</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>1,931,207</b>	<b>1,906,399</b>
Retained Profits at July 1	<u>5,327,858</u>	<u>4,575,021</u>
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>	<b>7,259,065</b>	<b>6,481,420</b>
Dividends	<u>-</u>	<u>1,153,562</u>
<b>RETAINED PROFITS</b>	<b>\$ <u>7,259,065</u></b>	<b><u>5,327,858</u></b>



**NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD**  
**ACN 104 838 440**

**TRADING ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2020**

	NOTE	2019
Sales	26,936,477	20,169,348
<b>LESS COST OF SALES</b>		
Opening Stock	3,791,307	2,364,721
Purchases	16,126,026	13,784,322
Foreign Exchange	134,423	(20,929)
	<u>20,051,756</u>	<u>16,128,114</u>
Closing Stock	2,842,835	3,791,307
	<u>17,208,921</u>	<u>12,336,807</u>
<b>TOTAL TRADING PROFIT</b>	<b>\$ <u>9,727,556</u></b>	<b><u>7,832,541</u></b>

**NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD**  
**ACN 104 838 440**

**STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

	NOTE	2019
<b>INCOME</b>		
Gross Profit Trading	9,727,556	7,832,541
Interest Received	3,098	1,966
<b>TOTAL INCOME</b>	<b>9,730,654</b>	<b>7,834,507</b>
<b>EXPENSES</b>		
Accountancy	5,760	7,522
Advertising & Selling	1,473,870	617,667
Audit & Inspections	480	7,571
Bad Debts/(Recoveries)	-	35,067
Bank Charges	2,377	927
Cleaning	4,050	3,750
Consultants Fees	333,472	284,313
Computer Supplies	10,784	2,534
Depreciation	93,989	27,667
Donations	227	-
Electricity	5,817	5,215
Filing Fees	526	641
Freight & Cartage	1,088,806	861,269
Insurance	45,810	27,062
Interest	7,389	-
Licences & Registrations	608,825	688,363
Motor Vehicle Expenses	7,147	7,746
Office Expenses	14,184	12,884
Payroll Tax	73,067	41,671
Printing & Stationery	7,825	5,206
Rent	240,824	238,093
Repairs & Maintenance	13,137	915
Salaries	2,216,004	1,670,518
Staff Recruitment&Amenities	35,704	3,595
Storage	260,944	226,277
Superannuation	204,548	171,839
Telephone & Internet	20,948	13,292
Testing Fees	32,932	28,300
Travelling Expenses	95,864	70,576
Warehouse Expenses	162,065	134,070
<b>TOTAL EXPENSES</b>	<b>7,067,375</b>	<b>5,194,550</b>
<b>OPERATING PROFIT BEFORE INCOME TAX</b>	<b>2,663,279</b>	<b>2,639,957</b>

**NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD**  
**ACN 104 838 440**

**STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

	NOTE	2019
Income Tax Expense	732,072	733,558
OPERATING PROFIT FOR THE YEAR	<u>1,931,207</u>	<u>1,906,399</u>
OPERATING PROFIT AND EXTRAORDINARY ITEMS	1,931,207	1,906,399
Retained Profits at July 1	<u>5,327,858</u>	<u>4,575,021</u>
PROFIT AVAILABLE FOR APPROPRIATION	7,259,065	6,481,420
Dividends		
Ordinary Dividend Paid	-	<u>1,153,562</u>
RETAINED PROFITS	<u>\$ 7,259,065</u>	<u>\$ 5,327,858</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 2020**

**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 over their useful lives of 3-8 years, using straight line basis. Depreciation commences from the time the asset is available for its intended use. The carrying amount is reviewed annually by directors to ensure it is not in excess of the recoverable amount.

**3) Trade and Other Receivables**

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

**4) Inventories**

**NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD**

**ACN 104 838 440**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

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

**5) Provisions**

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.

2019

**NOTE 2 - Cash**

Cash in Hand	-	991
Westpac Cheque account	1,647,562	1,025,947
Westpac Maxi-Business account	1,701,456	13
USD account	1,151	461
	<u>                    </u>	<u>                    </u>
	\$ 3,350,169\$	1,027,412

**NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD**  
**ACN 104 838 440**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

2019

**NOTE 3 - Current**

Trade Debtors	5,574,294	2,447,560
Income Tax Refund due	156,176	-
Prepayments	52,112	40,923
Payments-in-Advance	327,260	770,439
Deposits Refundable	3,835	3,835
	<b>\$ 6,113,677\$</b>	<b>3,262,757</b>

**NOTE 4 - Current**

Stock	<b>\$ 2,842,835\$</b>	<b>3,791,306</b>
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**NOTE 5 - Non Current**

Shares in Nova Pharmaceuticals Ltd-Wholly owned subsidiary	<b>\$ 94</b>	<b>\$ 94</b>
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**NOTE 6 - PROPERTY PLANT AND EQUIPMENT**

Office Equipment - at Cost	39,594	36,325
Less Prov'n for Depreciation	39,594	18,123
	-	18,202
Motor Vehicles - at Cost	148,193	148,193
Less Prov'n for Depreciation	148,192	92,549
	1	55,644
Warehouse Equipment-at Cost	30,000	30,000
Less Prov'n for Depreciation	30,001	13,126
	(1)	16,874
	<b>\$ -</b>	<b>\$ 90,720</b>

**NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD**  
**ACN 104 838 440**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2020**

2019

**NOTE 7 - Current**

Trade Creditors	4,779,907	2,660,299
Accrued Expenses	<u>267,653</u>	<u>57,676</u>
	<u>\$ 5,047,560</u>	<u>\$ 2,717,975</u>

**NOTE 8 - Current**

Provision for Income Tax	\$ -	<u>\$ 126,306</u>
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**NOVA PHARMACEUTICALS AUSTRALASIA PTY LTD**  
**A.C.N 104 838 440**  
**STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31ST MARCH 2020**

	A\$ 2020	A\$ 2019
<b>Cashflows generated by Operating Activities:</b>		
Receipts from Customers	23,809,743	19,372,406
Payments to Suppliers & Employees	-21,479,426	-20,007,139
Interest Received	3,098	1,966
Interest Paid	-7,389	
<b>Net Cash generated by Operating Activities(per Note below):</b>	<u>2,326,026</u>	<u>-632,767</u>
<b>Cashflows to Investing Activities:</b>		
Payments for Equipment	-3,269	-12,662
<b>Cashflows to Financing Activities</b>		
Dividends Paid		-1,153,562
Net Increase in Cash	<u>2,322,757</u>	<u>-1,798,991</u>
Cash at the beginning of the financial year	<u>1,027,412</u>	<u>2,826,403</u>
	3,350,169	1,027,412
Cash at the end of the Financial year:		
Petty Cash		991
Cheque account	1,647,562	1,025,947
USD account	1,152	461
Maxi Business account	<u>1,701,455</u>	<u>13</u>
	<u>3350169</u>	<u>1,027,412</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	1,931,207	1,906,399
Depreciation	93,989	27,667
Decrease in Inventory	948,471	-1,426,585
Increase in Trade Creditors & Accruals	2,329,585	-9,069
Decrease in Income Tax Payable	-126,306	202,332
Increase in Trade Debtors & Prepayments	-2,850,920	-1,333,511
<b>Net Cash generated by Operating Activities</b>	<u>2,326,026</u>	<u>-632,767</u>