

# Nemauro Pharma Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 March 2020

**Nemaura Pharma Limited (Registration number: 05636878)**

**Contents**

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Unaudited Financial Statements	<u>4</u> to <u>12</u>

## **Nemaura Pharma Limited (Registration number: 05636878)**

### **Company Information**

**Directors** D F H Chowdhury  
B Timol

**Company secretary** B Timol

**Registered office** Advanced Technology Innovation Centre  
Loughborough University Science and Enterprise Park  
5 Oakwood Drive  
Loughborough  
Leicestershire  
LE11 3QF

**Nemaura Pharma Limited (Registration number: 05636878)**

**Balance Sheet as at 31 March 2020**

	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	207,579	220,237
Tangible assets	<u>5</u>	302,169	452,443
Investments	<u>6</u>	737,023	737,023
		<u>1,246,771</u>	<u>1,409,703</u>
<b>Current assets</b>			
Debtors	<u>7</u>	1,936,469	1,838,691
Cash at bank and in hand		299,941	1,801,981
		<u>2,236,410</u>	<u>3,640,672</u>
<b>Creditors: Amounts falling due within one year</b>	<u>8</u>	<u>(815,037)</u>	<u>(556,632)</u>
<b>Net current assets</b>		<u>1,421,373</u>	<u>3,084,040</u>
<b>Total assets less current liabilities</b>		2,668,144	4,493,743
<b>Creditors: Amounts falling due after more than one year</b>	<u>8</u>	<u>(4,680,432)</u>	<u>(5,815,541)</u>
<b>Net liabilities</b>		<u>(2,012,288)</u>	<u>(1,321,798)</u>
<b>Capital and reserves</b>			
Called up share capital	<u>9</u>	3,000	3,000
Share premium reserve		28,000	28,000
Capital redemption reserve		9,000	9,000
Profit and loss account		<u>(2,052,288)</u>	<u>(1,361,798)</u>
Shareholders' deficit		<u>(2,012,288)</u>	<u>(1,321,798)</u>

**Nemaura Pharma Limited (Registration number: 05636878)**

**Balance Sheet as at 31 March 2020**

For the financial year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 19 March 2021 and signed on its behalf by:

.....

D F H Chowdhury  
Director

# **Nemaura Pharma Limited (Registration number: 05636878)**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020**

### **1 General information**

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:  
Advanced Technology Innovation Centre  
Loughborough University Science and Enterprise Park  
5 Oakwood Drive  
Loughborough  
Leicestershire  
LE11 3QF  
England

These financial statements were authorised for issue by the Board on 19 March 2021.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Going concern**

The Directors are responsible for preparing the financial statements on the going concern basis, unless it is inappropriate to assume that the company will continue in business. After making enquiries, the directors have formed a judgement, at the time of approving the financial statements, that the company has adequate support and resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

The company has received up front payments for subcontracted activities which will span a number of years. These are treated as deferred income at the outset and are reviewed annually to estimate the amount of work that has been completed on these contracts. The appropriate adjustment is then made to release to revenue from deferred income, for that work which has now been completed.

## **Nemaura Pharma Limited (Registration number: 05636878)**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020**

#### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

#### **Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold improvements	25% cost straight line
Furniture fittings & equipment	25% cost straight line
Other property, plant and equipment	20% or 25% cost straight line

#### **Business combinations**

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

The financial statements contain information about Nemaura Pharma Limited as an individual company and do not contain consolidated financial information as the parent of the group. The company is exempt under Section 399 (2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

## **Nemaura Pharma Limited (Registration number: 05636878)**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020**

#### **Intangible assets**

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

#### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Trademarks, patents and licences	5-20 years straightline

#### **Investments**

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.



## **Nemaura Pharma Limited (Registration number: 05636878)**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020**

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 34 (2019 - 34).

# Nemaura Pharma Limited (Registration number: 05636878)

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

### 4 Intangible assets

	Trademarks, patents and licenses £	Total £
<b>Cost or valuation</b>		
At 1 April 2019	347,055	347,055
Additions acquired separately	10,600	10,600
At 31 March 2020	357,655	357,655
<b>Amortisation</b>		
At 1 April 2019	126,818	126,818
Amortisation charge	23,258	23,258
At 31 March 2020	150,076	150,076
<b>Carrying amount</b>		
At 31 March 2020	207,579	207,579
At 31 March 2019	220,237	220,237

### 5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Other tangible assets £	Total £
<b>Cost or valuation</b>				
At 1 April 2019	48,211	596,336	668,583	1,313,130
Additions	-	32,819	67,481	100,300
At 31 March 2020	48,211	629,155	736,064	1,413,430
<b>Depreciation</b>				
At 1 April 2019	36,872	444,609	379,206	860,687
Charge for the year	6,552	90,774	153,248	250,574
At 31 March 2020	43,424	535,383	532,454	1,111,261
<b>Carrying amount</b>				
At 31 March 2020	4,787	93,772	203,610	302,169
At 31 March 2019	11,339	151,727	289,377	452,443

Included within the net book value of land and buildings above is £4,786 (2019 - £11,338) in respect of short leasehold land and buildings.



# Nemauro Pharma Limited (Registration number: 05636878)

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

### 6 Investments

	2020 £	2019 £
Investments in subsidiaries	737,023	737,023
<b>Subsidiaries</b>		£
<b>Fair value</b>		
At 1 April 2019		737,023
At 31 March 2020		737,023

The directors have considered the fair value of the investment in Microneedle Technologies Limited. There are a number of contracts expected to be entered into in the subsidiary company in the near future and for this reason, the directors do not believe that an impairment is required to the fair value investment in Microneedle Technologies Limited, which is currently stated at cost.

### Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking		Registered office	Holding	Proportion of voting rights and shares held	
				2020	2019
Subsidiary undertakings					
Microneedle Limited	Technologies	Advanced Technology Innovation Centre, Loughborough University Science And Enterprise, Parks, 5 Oakwood Drive, Loughborough, Leicestershire, LE11 3QF England	Ordinary	100%	100%

### Subsidiary undertakings

#### *Microneedle Technologies Limited*

The principal activity of Microneedle Technologies Limited is R&D drug delivery. The loss for the financial period of Microneedle Technologies Limited was £547 and the aggregate amount of capital and reserves at the end of the period was £19,610.

**Nemaura Pharma Limited (Registration number: 05636878)**

**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020**

**7 Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	84,135	22,546
Prepayments	42,203	27,045
Other debtors	1,810,131	1,789,100
	<u>1,936,469</u>	<u>1,838,691</u>

**8 Creditors**

**Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Due within one year</b>		
Trade creditors	152,876	82,864
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>11</u> 38,899	38,899
Taxation and social security	6,844	55,192
Accruals and deferred income	583,613	347,973
Other creditors	32,805	31,704
	<u>815,037</u>	<u>556,632</u>

**Creditors: amounts falling due after more than one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Due after one year</b>		
Other non-current financial liabilities	<u>4,680,432</u>	<u>5,815,541</u>

## Nemaura Pharma Limited (Registration number: 05636878)

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

#### 9 Share capital

##### Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	1,000	1,000	1,000	1,000

##### Allotted, called up and not fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary 1p B shares of £0.01 each	200,000	2,000.00	200,000	2,000.00

#### 10 Obligations under leases and hire purchase contracts

##### Operating leases

The total of future minimum lease payments is as follows:

	2020	2019
	£	£
Not later than one year	19,757	84,352
Later than one year and not later than five years	309,309	132,073
	<u>329,066</u>	<u>216,425</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £301,202 (2019 - £91,661).

#### 11 Related party transactions

From time to time, the Company pays for items on behalf of other companies with common ownership and directors. In addition, historically non interest bearing loans have been made with these related party companies. At the year end, balances owed to the Company from related party companies total £1,784,909 (2019: £1,761,388).

At the year end the Company owes £64,512 to companies with common ownership and directors (2019: £68,246)

In the year, a total of £136,000 (2019: £89,000) in donations was made to a number of charities. This included donations of £NIL (2019: £18,000) paid to Imam Bari Jamia Trust. This latter donation is considered to be to a related party as a trustee of the charity is the brother of one of Nemaura Pharma Limited's directors.

**Nemauro Pharma Limited (Registration number: 05636878)**

**Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020**

**Transactions with directors**

	<b>At 1 April 2019 £</b>	<b>Advances to directors £</b>	<b>Repayments by director £</b>	<b>At 31 March 2020 £</b>
<b>2020</b>				
<b>D F H Chowdhury</b>				
Director loan at average official rate for year of 2.5%	11,147	179	(18,506)	(7,180)

	<b>At 1 April 2018 £</b>	<b>Advances to directors £</b>	<b>Repayments by director £</b>	<b>At 31 March 2019 £</b>
<b>2019</b>				
<b>D F H Chowdhury</b>				
Director loan at average official rate for year of 2.5%	2,399	14,426	(5,678)	11,147

**12 Ultimate controlling party**

The ultimate controlling party is D F H Chowdhury due to his controlling shareholding.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.