Lupin Australia Pty Ltd

A.C.N. 112 038 105

Annual report for the financial year ended 31 March 2019

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

550 Bourke Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001 Australia

DX: 111
Tel: +61 (0) 3 9671 7000
Fax: +61 (0) 3 9671 7001
www.deloitte.com.au

The Board of Directors
Generic Health Pty Ltd
Suite 2, Level 2, 19-23 Prospect Street
Box Hill, VIC 3128

1 May 2019

Dear Board Members,

Lupin Australia Pty Ltd

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Lupin Australia Pty Ltd.

As lead audit partner for the audit of the financial statements of Lupin Australia Pty Ltd for the financial year ended 31 March 2019, I declare to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Craig Bryan
Partner
Chartered Accountants

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

550 Bourke Street
Melbourne VIC 3000
GPO Box 78
Melbourne VIC 3001 Australia

DX: 111
Tel: +61 (0) 3 9671 7000
Fax: +61 (0) 3 9671 7001
www.deloitte.com.au

Independent Auditor's Report to the members of Lupin Australia Pty Ltd

Opinion

We have audited the financial report, being a special purpose financial report, of Lupin Australia Pty Ltd (the "Entity") comprises the statement of financial position as at 31 March 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the declaration by directors.

In our opinion, the accompanying financial report of the Entity is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Entity's financial position as at 31 March 2019 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards or Australian Accounting Standards – Reduced Disclosure Regime and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to directors of the Entity, would be in the same terms if given to directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Those Charged with Governance are responsible for the other information. The other information comprises the Directors' report for the year ended 31 March 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

Deloitte.

Other information (continued)

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

Directors of the Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 3 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. Directors' responsibility also includes such internal control as directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, directors are responsible for assessing the ability of the Entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless directors either intend to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

Auditor's Responsibilities for the Audit of the Financial Report (continued)

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Craig Bryan
Partner
Chartered Accountants
Melbourne, 1 May 2019

Statement of profit or loss and other comprehensive income for the year ended 31 March 2019

	Notes	2019 $	2018 $
Continuing operations			
Revenue	4	13,609	21,704
Amortisation expenses		(8,296)	(80,909)
Administration expenses		(47,125)	(22,963)
Finance cost		(1,748)	(270)
Loss before tax		(43,560)	(82,438)
Income tax expense		-	-
Loss for the year		(43,560)	(82,438)
Other comprehensive income		-	-
Total comprehensive loss for the year		(43,560)	(82,438)

The accompanying notes form part of these financial statements.

Statement of financial position at 31 March 2019

	Notes	2019 $	2018 $
Current assets			
Cash and cash equivalents	9(a)	81,006	48,250
Other financial assets	5	45,474	113,585
Current tax asset		588	588
Total current assets		127,068	162,423
Non-current assets			
Intangible assets	6	-	8,296
Total non-current assets		-	8,296
Total assets		127,068	170,719
Current liabilities			
Trade and other payables	7	9,022	9,113
Total current liabilities		9,022	9,113
Total liabilities		9,022	9,113
Net assets		118,046	161,606
Equity			
Issued capital	8	800,000	800,000
Retained earnings		(681,954)	(638,394)
Total equity		118,046	161,606

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 31 March 2019

	Issued capital $	Retained Earnings $	Total $
Balance at 1 April 2017	800,000	(555,956)	244,044
Loss for the year	-	(82,438)	(82,438)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(82,438)	(82,438)
Balance at 31 March 2018	800,000	(638,394)	161,606
Loss for the year	-	(43,560)	(43,560)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(43,576)	(43,576)
Balance at 31 March 2019	800,000	(681,954)	118,046

The accompanying notes form part of these financial statements.

Statement of cash flows
for the year ended 31 March 2019

	Notes	2019 $	2018 $
Cash flows from operating activities			
Receipts from customers		13,609	21,704
Payments to suppliers and employees		(47,216)	(24,112)
Interest received		-	-
Interest paid		(1,748)	(270)
Net cash used in operating activities	9 (b)	(35,355)	(2,678)
Cash flows from investing activities			
Net cash provided by investing activities		-	-
Cash flows from financing activities			
Proceeds from/(Repayment of) related party loan		68,111	(80,297)
Net cash provided by/(used in) financing activities		68,111	(80,297)
Net increase/(decrease) in cash and cash equivalents		32,756	(82,975)
Cash and cash equivalents at the beginning of the year		48,250	131,225
Cash and cash equivalents at the end of the year	9(a)	81,006	48,250

The accompanying notes form part of these financial statements.

1. General information

Lupin Australia Pty Ltd is a proprietary company limited by shares, incorporated and operating in Australia. The parent entity of Lupin Australia Pty Ltd is Lupin Limited (incorporated and domiciled in India).

Lupin Australia Pty Ltd.'s registered office and principal place of business are as follows:
Suite 2, Level 2, 19-23 Prospect Street, Boxhill, VIC

2. Adoption of new and revised Accounting Standards

2.1 Amendments to Accounting Standards that are mandatorily effective for the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for an accounting period that begins on or after 1 January 2018.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

- AASB 9 Financial Instruments and related amending Standards
- AASB 15 Revenue from Contracts with Customers and related amending Standards
- Interpretation 22 Foreign Currency Transactions and Advance Consideration

AASB 15 - Revenue from Contracts with Customers
In the current year, the Group has applied AASB 15 Revenue from Contracts with Customers for the current year. AASB 15 introduced a 5 step approach to revenue recognition. Details of the new requirements as well as their impact on the Company's financial statements are described below:

The core principle of AASB 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

The Group's current practice for the recognition of revenue from the supply of products when the group has transferred to the buyer the significant risks and rewards of ownership, is still appropriate under the new standard. Hence, the new standard is has not had a material impact on the Group's reported financial position and performance.

AASB 9 Financial Instruments and related amending Standards

In the current year, the Group has applied AASB 9 Financial Instruments (as amended) and the related consequential amendments to other Accounting Standards that are effective for an annual period that begins on or after 1 January 2018.

AASB 9 introduced new requirements for:

- The classification and measurement of financial assets and financial liabilities,
- Impairment of financial assets, and
- General hedge accounting.

None of the reclassifications or assessment of impairment of financial assets have had any impact on the Group's reported financial position, profit or loss, other comprehensive income or total comprehensive income in either year

Further, Group doesn't have any financial instrument to which the provision for hedge accounting apply.

2.2 New and revised Australian Accounting Standards in issue but not yet effective

At the date of authorisation of the financial statements, the Group has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

Standard/amendment	Effective for annual reporting periods beginning on or after
AASB 16 *Leases*	1 January 2019
AASB 2018-1 *Amendments to Australian Accounting Standards – Annual Improvements 2015-2017 Cycle*	1 January 2019
AASB 2018-6 *Amendments to Australian Accounting Standards - Definition of a Business*	1 January 2020
AASB 2018-7 *Amendments to Australian Accounting Standards – Definition of Material*	1 January 2020
Interpretation 23 *Uncertainty over Income Tax Treatments*	1 January 2019

AASB 16 Leases

General impact of application

AASB 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements for both lessors and lessees. AASB 16 will supersede the current lease guidance including AASB 117 *Leases* and the related Interpretations when it becomes effective for accounting periods beginning on or after 1 January 2019. The date of initial application of AASB 16 for the Group will be 1 January 2019.

In contrast to lessee accounting, AASB 16 substantially carries forward the lessor accounting requirements in AASB 117.

Impact of the new definition of a lease

The Group will make use of the practical expedient available on transition to AASB 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with AASB 117 and Interpretation 4 will continue to apply to those leases entered or modified before 1 January 2019.

The change in definition of a lease mainly relates to the concept of control. AASB 16 distinguishes between leases and service contracts on the basis of whether the use of an identified asset is controlled by the customer. Control is considered to exist if the customer has:

- The right to obtain substantially all of the economic benefits from the use of an identified asset, and
- The right to direct the use of that asset.

The Group will apply the definition of a lease and related guidance set out in AASB 16 to all lease contracts entered into or modified on or after 1 January 2019 (whether it is a lessor or a lessee in the lease contract). In preparation for the first-time application of AASB 16, the Group has carried out an implementation project. The project has shown that the new definition in AASB 16 will not change significantly the scope of contracts that meet the definition of a lease for the Group.

Impact on lessee accounting

Operating leases

AASB 16 will change how the Group accounts for leases previously classified as operating leases under AASB 117, which were off-balance sheet.

On initial application of AASB 16, for all leases (except as noted below), the Group will:

- Recognise right-of-use assets and lease liabilities in the consolidated statement of financial position, initially measured at the present value of the future lease payments;
- Recognise depreciation of right-of-use assets and interest on lease liabilities in the consolidated statement of profit or loss;
- Separate the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the consolidated cash flow statement.

Lease incentives (e.g. rent-free period) will be recognised as part of the measurement of the right-of-use assets and lease liabilities whereas under AASB 117 they resulted in the recognition of a lease liability incentive, amortised as a reduction of rental expenses on a straight-line basis.

The impact on profit or loss is to decrease other expenses and increase depreciation and increase interest expense.

Other than AASB16 leases, no assessment has been performed on the remaining standards in the table above

3. Significant accounting policies

Statement of compliance
These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards – Reduced Disclosure Requirements, and comply with other requirements of the law.

The financial statements were authorised for issue by the directors on 1 May 2019.

Basis of preparation
The financial statements have been prepared on the basis of historical cost, except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

Critical accounting judgments and key sources of estimation uncertainty
In the application of the company's accounting policies, which are described below, the directors are required to make judgments, estimates and assumptions about carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Intangible assets
Useful lives of intangible assets are reviewed annually. Judgement is applied in determining the useful lives of intangible assets. Any reassessment of useful lives in a particular year will affect amortisation expense (either increasing or decreasing) from the date of reassessment through to the end of the reassessed useful life for both the current and future years.

3. Significant accounting policies (cont'd)

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

(a) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(b) Revenue

Royalties

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably). Royalties determined on a time basis are recognized on a straight-line basis over the period of the agreement. Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

Interest revenue

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(c) Income tax

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and in banks and investments in money market instruments. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(e) Intangible assets

Intangible assets acquired separately

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The following useful lives are used in the calculation of amortisation:

Capitalised development *5 years*

3. Significant accounting policies (cont'd)

De-recognition of intangible assets
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

(f) Impairment of tangible and intangible assets other than goodwill
At each reporting date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

(f) Impairment of tangible and intangible assets other than goodwill (cont'd)
Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.
If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

(g) Financial assets
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Financial assets are classified as loans and receivables and financial liabilities are classified as other financial liabilities.

Effective Interest Method
The effective interest method is a method of calculating the amortised cost and of allocating interest income / (expense) over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts / payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3. Significant accounting policies (cont'd)

Loans and receivables

Financial assets are initially measured at fair value net of transactions costs. Financial assets consisting trade receivables, loans and other receivables that have fixed or determinable payments are measured subsequently at amortised cost at the effective interest method, less any expected credit losses given that:

• the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

• the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

	2019 $	2018 $
4. Revenue		
Royalty income	13,609	21,704
5. Other financial assets		
Other debtors	6,194	5,520
Related party receivables:		
Lupin Limited	39,280	102,775
Generic Health Pty Ltd	-	5,290
	45,474	113,585

During the year, the Company entered into the following trading transactions with related parties:

- Royalty income received from Generic Health Pty Ltd for amount of $13,609
- Reimbursements claimed from Lupin Limited for an amount of $793,020

	2019 $	2018 $
6. Intangible assets		
Product Development costs	460,000	460,000
Less: Accumulated amortisation	(460,000)	(451,704)
	-	8,296

Cost	**Product development costs**	**Total**
Balance at 1 April 2018	460,000	460,000
Additions	-	-
Disposals	-	-
Balance at 31 March 2019	460,000	460,000
Accumulated depreciation		
Balance at 1 April 2018	(451,704)	(451,704)
Amortisation expense	(8,296)	(8,296)
Balance at 31 March 2019	(460,000)	(460,000)
Carrying amount as at 31 March 2019	-	-

These are amortised over a useful life of 5 years.

	2019 $	2018 $
7. Trade and other payables		
Trade payables	6,600	-
Goods and service tax payable	2,422	(180)
Other payables and accrued expenses	-	9,293
	9,022	9,113

	2019 $	2018 $

8. Issued capital

	2019 $	2018 $
800,000 fully paid ordinary shares (2018: 800,000)	800,000	800,000

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore, the company does not have a limited amount of authorised capital and issued shares do not have a par value.

9. Cash and cash equivalents

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2019 $	2018 $
Cash and bank balances	81,006	48,250

(b) Reconciliation of loss for the year to net cash flows from operating activities

	2019 $	2018 $
Loss for the year	(43,560)	(82,438)
Amortisation expense	8,296	80,909
	(35,264)	(1,529)
Changes in net assets and liabilities:		
Increase/(decrease) in liabilities:		
Trade and other payables	(91)	(1,149)
Net cash used in operating activities	(35,355)	(2,678)

10. Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly effect, the operation of the company, the result of those operations, or the state of affairs of the company in future financial years.

11. Financial Instruments

Categories of financial instruments

The Group holds the following financial instruments:

	2019 $	2018 $
Financial assets – amortised cost		
Cash and bank balances	81,006	48,250
Trade and other receivables	45,474	113,585
	126,480	161,835
Financial liabilities – amortised cost		
Trade and other payables	9,022	9,113
	9,022	9,113

12. Contingent liabilities

There are no contingent liabilities as at the date of this report.

Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 1 May 2019.