

# Neusentis Limited

Directors' report and financial statements

**Year ended 30 November 2016**

Registered number 03443383

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# Neusentis Limited

## Directors' report and financial statements

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# Neusentis Limited

## Directors and other information

### **Directors**

CM Seller  
IE Franklin  
E Nordkamp  
EJ Pearson

### **Registered office**

c/o Pfizer Limited  
Ramsgate Road  
Sandwich  
Kent  
CT13 9NJ

### **Independent auditor**

KPMG LLP  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

### **Registered number**

03443383

# Neusentis Limited

## Directors' report

The directors present their annual report and audited financial statements for the year ended 30 November 2016.

### Directors

The directors, who held office from 1 December 2015 to the date of this report, unless otherwise noted, were:

CM Seller	
IE Franklin	
EJ Pearson	(appointed 9 January 2017)
E Nordkamp	(appointed 25 February 2015)
RA Coles	(resigned 24 July 2015)
RM McKernan	(resigned 10 April 2015)
JC Emms	(resigned 31 January 2015)
D Reynolds	(appointed 22 April 2015, resigned 3 March 2016)
D Noseworthy	(resigned 9 January 2017)

### Auditor

The directors who held office at the date of approval of this directors' report confirm that so far as they are aware, there is no relevant audit information of which the company's auditor is unaware. The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.


### Political contributions

No political donations were made during the year (2015: £nil).

### Small Companies Exemption

In preparing this directors' report, the directors have taken advantage of the small companies' exemption under Section 415 (A) of the Companies Act 2006 for reduced disclosures. The directors have also taken exemption under Section 414 (B) not to prepare a Strategic Report.

By order of the board

  
IE Franklin  
Director  
Ramsgate Road  
Sandwich  
Kent  
CT13 9NJ

18<sup>th</sup>  
13<sup>th</sup> July 2017

# Neusentis Limited

## **Statement of directors' responsibilities in respect of the Directors' report and the financial statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent auditor's report to the members of Neusentis Limited**

We have audited the financial statements of Neusentis Limited for the year ended 30 November 2016 set out on pages 6 to 20. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors 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 Auditor.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

## **Independent auditor's report to the members of Neusentis Limited *(continued)***

### **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 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

*George Richards*

**George Richards (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
15 Canada Square  
London, E14 5GL  
Date: 18<sup>th</sup> July 2017

# Neusentis Limited

## Statement of accounting policies

*for the year ended 30 November 2016*

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

### **Basis of preparation**

Neusentis Limited is a limited liability company incorporated in England. The Registered Office is Ramsgate Road, Sandwich, Kent, CT13 9NJ.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the company has made measurement and recognition adjustments. An explanation of how the transition to FRS 102 has affected financial position and financial performance of the company is provided in note 16.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 15.

### **Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to the use of exemptions by the company's shareholders.

A separate cash flow statement is not presented by the company by the Company as the information is included in the consolidated cash flow statement prepared by the ultimate parent, Pfizer Inc., in the manner prescribed by FRS102.7.

The company has availed of the exemption in FRS 102.33.1A from the requirement to disclose details of transactions with group undertakings. Other than transactions with related group undertakings there are no related party transactions. Details of the availability of the group consolidated financial statements are given in note 14.

The company has availed of the exemption from disclosures for financial assets and liabilities required by Section 11 paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c) and Section 12 paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A as Neusentis Limited is consolidated.

### **Going concern**

After making enquiries the directors have a reasonable expectation that the company has adequate resources to continue in operational existence in the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.



# Neusentis Limited

## Statement of accounting policies (*continued*) *for the year ended 30 November 2016*

### **Foreign currencies**

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account

The company uses derivative financial instruments to reduce exposure to foreign exchange risk. The company does not hold or issue derivative financial instruments for speculative purposes. The company accounts for derivatives at fair value and are recognised at their fair value on the statement of financial position.

### **Turnover**

Turnover represents the amount (excluding value added tax) derived from royalty agreements with other members of the Pfizer worldwide group and is recognised on related actual product sales.

### **Expenses**

#### *Interest receivable and Interest payable*

Interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains. Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currencies accounting policy).

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest rate method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

### **Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

# Neusentis Limited

## Statement of accounting policies (*continued*) *for the year ended 30 November 2016*

### **Taxation (*continued*)**

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

### **Intangible fixed assets**

Intangible fixed assets purchased separately from a business are capitalised at their cost. They are amortised to nil by equal annual instalments over their useful economic lives, of not more than 20 years based on directors' estimates, after making any required provisions for impairment.

### **Financial instruments**

#### *Financial assets*

Basic financial assets, including amounts due from group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

# Neusentis Limited

## Statement of accounting policies (*continued*) *for the year ended 30 November 2016*

### **Financial instruments (continued)**

#### *Financial liabilities*

Basic financial liabilities, including amounts due to group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Financial liabilities are recognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### *Offsetting*

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle to liability simultaneously.

### **Other financial instruments**

#### *Derivative financial instruments*

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

#### *Fair value hedges*

Where a derivative financial instrument is designated as a hedge of the variability in fair value of a recognised asset or liability or an unrecognised firm commitment, all changes in the fair value of the derivative are recognised immediately in the profit and loss account. The carrying value of the hedged item is adjusted by the change in fair value that is attributable to the risk being and any gains or losses on remeasurement are recognised immediately in the profit and loss account.

### **Dividends on shares presented within shareholders' funds**

Dividends are only recognised as a liability to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

# Neusentis Limited

## Profit and loss account and other comprehensive income for the year ended 30 November 2016

	Notes	2016 £'000	Restated 2015 £'000
<b>Turnover</b>	<i>1</i>	-	739
<b>Profit on ordinary activities before interest and taxation</b>	<i>2</i>	-	739
Interest receivable and similar income	<i>5</i>	-	3
Interest payable and similar charges	<i>6</i>	(48)	-
<b>(Loss)/profit on ordinary activities before taxation</b>		(48)	742
Tax on (loss)/profit on ordinary activities	<i>7</i>	10	(151)
<b>(Loss)/profit on ordinary activities after taxation</b>		(38)	591
Other comprehensive income		-	-
<b>Total comprehensive (expenditure)/income for the year</b>		(38)	591

The notes on pages 13 to 20 and the accounting policies on pages 6 to 9 form part of the financial statements.

All activities are derived from continuing operations.

# Neusentis Limited

## Statement of financial position as at 30 November 2016

	<i>Notes</i>	<b>2016 £'000</b>	Restated 2015 £'000
<b>Fixed assets</b>			
Intangible fixed assets	8	-	-
<b>Current assets</b>			
Debtors	9	128,119	127,689
<b>Creditors: amounts falling due within one year</b>	10	(122,307)	(121,839)
<b>Net current assets</b>		<u>5,812</u>	<u>5,850</u>
<b>Net assets</b>		<u>5,812</u>	<u>5,850</u>
<b>Capital and reserves</b>			
Called up share capital	12	1	1
Profit and loss account		5,811	5,849
<b>Shareholders' funds</b>		<u>5,812</u>	<u>5,850</u>

The notes on pages 13 to 20 and the accounting policies on pages 6 to 9 form part of the financial statements.

These financial statements were approved by the board of directors and were signed on its behalf on 18<sup>th</sup> July 2017 by:



IE Franklin  
Director

Registered Number: 03443383

# Neusentis Limited

## Statement of changes in equity for the year ended 30 November 2016

	Share capital £'000	Retained earnings £'000	Total £'000
<b>At 1 December 2014 (restated)</b>	<b>1</b>	<b>5,258</b>	<b>5,259</b>
Profit for the year	-	591	591
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>591</b>	<b>591</b>
<b>At 30 November 2015 (restated)</b>	<b>1</b>	<b>5,849</b>	<b>5,850</b>
Loss for the year	-	(38)	(38)
<b>Total comprehensive expenditure for the year</b>	<b>-</b>	<b>(38)</b>	<b>(38)</b>
<b>Balance at 30 November 2016</b>	<b>1</b>	<b>5,811</b>	<b>5,812</b>

The notes on pages 13 to 20 and the accounting policies on pages 6 to 9 form part of the financial statements.

# Neusentis Limited

## Notes

*forming part of the financial statements*

### 1 Segmental analysis

All turnover, profit before taxation and net assets relate to the company's principal activity, the development and exploitation of pharmaceutical intellectual property.

The royalty agreement had one market in place in 2016, Taiwan. Taiwan did not have exclusivity as of November 2015 and therefore no royalties were paid in 2016.

	2016 £'000	2015 £'000
Turnover	-	739
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### 2 Profit on ordinary activities before interest and taxation

Auditor's remuneration for the audit of these financial statements is borne without recourse by Pfizer Limited, a fellow group undertaking. In 2016 these fees amounted to £13,201 (2015: £12,000).

### 3 Directors' remuneration and emoluments

None of the directors received emoluments or accrued retirement benefits in respect of qualifying services they provided to the company in 2016 (2015: nil).

Four of the directors received shares under long term incentive schemes (2015: six) and two of the directors exercised share options in the ultimate holding company Pfizer Inc. during the year (2015: five).

### 4 Staff numbers and costs

The company did not employ any staff during either the current or previous year.

### 5 Interest receivable and similar income

	2016 £'000	2015 £'000
Foreign exchange gain - net	-	3
	<hr/>	<hr/>

# Neusentis Limited

## Notes

*forming part of the financial statements (continued)*

### 6 Interest payable and similar charges

	2016 £'000	2015 £'000
Foreign exchange loss - net	48	-
	<u>48</u>	<u>-</u>

### 7 Tax on (loss)/profit on ordinary activities

	2016 £'000	2015 £'000
UK corporation tax (credit)/charge	(10)	151
	<u>(10)</u>	<u>151</u>

The tax (credit)/charge for the year is in line with (2015: *in line with*) the standard rate of corporation tax in the UK of 20% (2015: 20.33%).

The factors affecting the tax (credit)/charge are explained below:

	2016 £'000	2015 £'000
(Loss)/profit on ordinary activities before tax	(48)	742
	<u>(48)</u>	<u>742</u>
Tax at standard UK tax rate of 20% (2015: 20.33%)	(10)	151
<i>Effects of:</i>		
Other timing differences	-	-
	<u>-</u>	<u>-</u>
Current and total tax (credit)/charge for the year	<u>(10)</u>	<u>151</u>

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016.



# Neusentis Limited

## Notes

*forming part of the financial statements (continued)*

### 8 Intangible fixed assets

	<b>Intellectual Property Rights £'000</b>
<b>Cost</b>	
At beginning and end of year	<b>112,000</b>
<b>Amortisation</b>	
At beginning of year and end of year	<b>112,000</b>
<b>Net book value</b>	
At 30 November 2016	-
At 30 November 2015	-

The company holds certain intellectual property rights which it purchased at the market value of £112,000,000 from Parke Davis & Co Limited, a fellow Pfizer Inc. group company, on 26 October 2001.

The company also holds other intellectual property rights which were assigned to it by its immediate parent company for nominal consideration.

### 9 Debtors

	<b>2016 £'000</b>	<b>2015 £'000</b>
Amounts owed by group undertakings	<b>128,109</b>	127,689
Corporation tax receivable	<b>10</b>	-
	<b>128,119</b>	127,689

Amounts owed by group undertakings are unsecured. For amounts that are repayable on demand, notional interest is not applied. For term loans placed with fellow affiliates a commercial rate of interest is charged.

All debtors fall due within one year.

# Neusentis Limited

## Notes

*forming part of the financial statements (continued)*

### 10 Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Amounts due to group undertakings	122,156	121,005
Corporation tax payable	-	151
Tax intercompany group relief creditor	151	683
	<u>122,307</u>	<u>121,839</u>

Amounts owed to group undertakings are unsecured. For amounts that are repayable on demand, notional interest is not applied. For term loans placed with fellow affiliates a commercial rate of interest is charged.

### 11 Financial instruments

The analysis of the carrying amounts of the financial instruments of the company required under section 11 of FRS 102 is as follows:

*Financial assets that are debt instruments measured at amortised cost*

	2016 £'000	2015 £'000
Amounts owed by group undertakings	128,109	127,689

Amounts owed by group undertakings are unsecured. For amounts that are repayable on demand, notional interest is not applied. For term loans placed with fellow affiliates a commercial rate of interest is charged.

*Financial liabilities that are debt instruments measured at amortised cost*

	2016 £'000	2015 £'000
Amounts due to group undertakings	122,156	121,005

Amounts owed to group undertakings are unsecured. For amounts that are repayable on demand, notional interest is not applied. For term loans placed with fellow affiliates a commercial rate of interest is charged.

# Neusentis Limited

## Notes

*forming part of the financial statements (continued)*

### 12 Called up share capital

	2016 £'000	2015 £'000
<i>Allotted, called up and fully paid</i>		
Equity: 1,000 ordinary shares of £1 each	1	1

### 13 Related party disclosures

The company is controlled by Pfizer Limited. The ultimate controlling company is Pfizer Inc., a company incorporated in the state of Delaware, United States of America.

The company has availed of the exemption in FRS 102.33.1A from the requirement to disclose details of transactions with group undertakings. Other than transactions with related group undertakings there are no related party transactions. Details of the availability of the group consolidated financial statements are given in note 14.

### 14 Ultimate parent company and parent undertaking of larger group of which the company is a member

Neusentis Limited is part of the world-wide group of companies whose ultimate parent is Pfizer Inc., a company incorporated in the State of Delaware, United States of America. Copies of the ultimate parent company's financial statements may be obtained from Pfizer Inc., 235 East 42nd Street, New York, NY10017, USA.

The immediate holding company is Pfizer Limited, which is incorporated in Great Britain and registered in England and Wales.

The smallest group in which the results of the company are consolidated is that headed by C.P. Pharmaceuticals International C.V., Coolsingel 93, 3012 AE Rotterdam, Holland whose accounts are publicly available from the Chamber of Commerce, PO Box 450, 3001 AL Rotterdam, Holland.

# Neusentis Limited

## Notes

*forming part of the financial statements (continued)*

### 15 Accounting estimates and judgements

The company made no judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the group's accounting policies. In the instance that estimates and judgements should arise, they are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

### 16 Explanation of transition to FRS 102 from old UK GAAP

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 December 2014.

The impact from the transition to FRS 102 is as follows:

	Note	Adopted UK GAAP 2014 £	Effect of transition to FRS 102 2014 £	FRS 102 2014 £
<b>Fixed assets</b>				
Intangible fixed assets		-	-	-
<b>Current assets</b>				
Debtors		126,928,856	-	126,928,856
<b>Creditors: amounts falling due within one year</b>	(a)	(121,669,207)	(220)	(121,669,427)
<b>Net current assets</b>		<u>5,259,649</u>	<u>(220)</u>	<u>5,259,429</u>
<b>Net assets</b>		<u>5,259,649</u>	<u>(220)</u>	<u>5,259,429</u>
<b>Capital and reserves</b>				
Called up share capital		1,000	-	1,000
Profit and loss account		5,258,649	(220)	5,258,429
<b>Shareholders' funds</b>		<u>5,259,649</u>	<u>(220)</u>	<u>5,259,429</u>

# Neusentis Limited

## Notes

*forming part of the financial statements (continued)*

### 16 Explanation of transition to FRS 102 from old UK GAAP (continued)

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 December 2014.

The impact from the transition to FRS 102 is as follows:

The reconciliation of the Income and Expenditure Account prepared in accordance with UK GAAP and in accordance with FRS 102 for the year ended 30 November 2015 and the reconciliation of the amount of total equity at 30 November 2015, before and after the application of FRS 102, is as follows:

	Note	Adopted UK GAAP 2015 £	Effect of transition to FRS 102 2015 £	FRS 102 2015 £
<b>Turnover</b>		<b>738,981</b>	-	<b>738,981</b>
<b>Profit on ordinary activities before interest and taxation</b>		<b>738,981</b>	-	<b>738,981</b>
Interest receivable and similar income	(a)	3,165	293	3,458
<b>Profit on ordinary activities before taxation</b>		<b>742,146</b>	293	<b>742,439</b>
Tax on profit on ordinary activities	(a)	(150,878)	(54)	(150,932)
Other comprehensive income		-	-	-
<b>Total comprehensive income for the year</b>		<b>591,268</b>	239	<b>591,507</b>

# Neusentis Limited

## Notes

*forming part of the financial statements (continued)*

### 16 Explanation of transition to FRS 102 from old UK GAAP (continued)

	Note	Adopted UK GAAP 2015 £	Effect of transition to FRS 102 2015 £	FRS 102 2015 £
<b>Fixed assets</b>				
Intangible fixed assets		-	-	-
<b>Current assets</b>				
Debtors	(a)	127,689,271	20	127,689,291
<b>Creditors:</b> amounts falling due within one year		(121,838,354)	-	(121,838,354)
<b>Net current assets</b>		<u>5,850,917</u>	<u>20</u>	<u>5,850,937</u>
<b>Net assets</b>		<u>5,850,917</u>	<u>20</u>	<u>5,850,937</u>
<b>Capital and reserves</b>				
Called up share capital		1,000	-	1,000
Profit and loss account		5,849,917	20	5,849,937
<b>Shareholders' funds</b>		<u>5,850,917</u>	<u>20</u>	<u>5,850,937</u>

#### (a) Derivatives

Forward foreign currency contracts are recorded on the statement of financial position at fair value and accounted for as fair value through the profit and loss account. Under previous UK GAAP, these were not carried at fair value.

Upon transition to FRS 102 in 2014, an unrealised loss of £280 arose on the forward foreign contract with deferred tax of £60 being recognised. In 2015, an unrealised gain of £293 arose on the forward foreign contract with deferred tax of £54 being recognised.