

Company Registration No. 07055288 (England and Wales)

**RICANTO LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**  
**PAGES FOR FILING WITH REGISTRAR**

# **RICANTO LIMITED**

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# RICANTO LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2018

|                                                       | Notes | 2018<br>£        | £             | 2017<br>£        | £             |
|-------------------------------------------------------|-------|------------------|---------------|------------------|---------------|
| <b>Fixed assets</b>                                   |       |                  |               |                  |               |
| Tangible assets                                       | 3     |                  | 1,094         |                  | 339           |
| <b>Current assets</b>                                 |       |                  |               |                  |               |
| Debtors                                               | 4     | 475,708          |               | 458,719          |               |
| Cash at bank and in hand                              |       | 4,351            |               | 4,200            |               |
|                                                       |       | <u>480,059</u>   |               | <u>462,919</u>   |               |
| <b>Creditors: amounts falling due within one year</b> | 5     | <u>(414,211)</u> |               | <u>(382,350)</u> |               |
| <b>Net current assets</b>                             |       |                  | 65,848        |                  | 80,569        |
| <b>Total assets less current liabilities</b>          |       |                  | <u>66,942</u> |                  | <u>80,908</u> |
| <b>Capital and reserves</b>                           |       |                  |               |                  |               |
| Called up share capital                               | 6     |                  | 300           |                  | 300           |
| Profit and loss reserves                              |       |                  | 66,642        |                  | 80,608        |
| <b>Total equity</b>                                   |       |                  | <u>66,942</u> |                  | <u>80,908</u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 26 September 2019 and are signed on its behalf by:

Dr A Clarke  
**Director**

**Company Registration No. 07055288**

# **RICANTO LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **1 Accounting policies**

#### **Company information**

Ricanto Limited is a private company limited by shares incorporated in England and Wales. The registered office is 10 Station Road, Henley on Thames, Oxfordshire, RG9 1AY. The business address is Century House, Wargrave Road, Henley on Thames, Oxfordshire, RG9 2LT.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                                |                       |
|--------------------------------|-----------------------|
| Fixtures, fittings & equipment | 15% reducing balance  |
| Computer equipment             | 3 years straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **1.4 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible 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 it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# RICANTO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

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 (or 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 a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so 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 (or 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 a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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 the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# RICANTO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.8 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# RICANTO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies

(Continued)

#### 1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2017 - 2).

### 3 Tangible fixed assets

Plant and  
machinery etc

£

#### Cost

|                     |       |
|---------------------|-------|
| At 1 January 2018   | 7,054 |
| Additions           | 1,217 |
| At 31 December 2018 | 8,271 |

#### Depreciation and impairment

|                                  |       |
|----------------------------------|-------|
| At 1 January 2018                | 6,715 |
| Depreciation charged in the year | 462   |
| At 31 December 2018              | 7,177 |

#### Carrying amount

|                     |       |
|---------------------|-------|
| At 31 December 2018 | 1,094 |
| At 31 December 2017 | 339   |

### 4 Debtors

|                                      | 2018<br>£ | 2017<br>£ |
|--------------------------------------|-----------|-----------|
| Amounts falling due within one year: |           |           |
| Corporation tax recoverable          | -         | 12,662    |
| Other debtors                        | 475,708   | 446,057   |
|                                      | 475,708   | 458,719   |

## RICANTO LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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

|                 | 2018<br>£         | 2017<br>£         |
|-----------------|-------------------|-------------------|
| Other creditors | 414,211           | 382,350           |
|                 | <u>          </u> | <u>          </u> |

**6 Called up share capital**

|                                | 2018<br>£         | 2017<br>£         |
|--------------------------------|-------------------|-------------------|
| <b>Ordinary share capital</b>  |                   |                   |
| <b>Issued and fully paid</b>   |                   |                   |
| 300 Ordinary shares of £1 each | 300               | 300               |
|                                | <u>          </u> | <u>          </u> |
|                                | 300               | 300               |
|                                | <u>          </u> | <u>          </u> |

**7 Related party transactions**

US3 Partnership LLP is a related party in which a director is a designated member. At the start of the year, US3 Partnership LLP owed the Company £141,088. During the year, the Company paid expenses of £1,423 (2017: £24,121) on behalf of the LLP. At the year end, US3 Partnership LLP owed the Company £142,511.

Renown Pharma Inc. is a related party by virtue of common directors. At the start of the year, Renown Pharma Inc. owed the the Company £303,988. During the year, the Company paid expenses on behalf of Renown Pharma Inc. of £27,850 (2017: £127,453). At the year end, Renown Pharma Inc. owed the Company £331,838.

Renown Pharma Limited is a related party by virtue of common directors. At the start of the year, the Company owed Renown Pharma Limited £145,901. During the year, the Company paid expenses on behalf of Renown Pharma Limited of £2,023 (2017: £2,215) and received funds on behalf of Renown Pharma Limited of US\$nil (2017: US\$200,000). At the year end, the Company owed Renown Pharma Limited £152,499, after accounting for a foreign exchange loss of £8,621 (2017: gain of £12,399).

**8 Directors' transactions**

At the start of the year, a director owed the Company £188. This amount was still owed at the year end.

At the start of the year, the Company owed a director £50,135. During the year, this director introduced funds of £26,807 (2017: £14,124), and made withdrawals of £1,768 (2017: £9,691). At the year end, the Company owed the director £75,174.

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