

**Oasis Holding (FZC)
Sharjah – U.A.E.**

**Financial Statements and Reports
31 March 2018**

Country of Registration

United Arab Emirates

Office:

Sharjah Airport International Free Zone
P. O. Box 121943
Sharjah, United Arab Emirates

OASIS HOLDING (FZC)

Financial statements and independent auditor's report
Year ended 31 March 2018

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **OASIS HOLDING (FZC)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **OASIS HOLDING (FZC)** (the "Company"), which comprise the statement of financial position as at 31 March 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the UAE, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for their compliance with the applicable provisions of the Implementing Regulations issued by the Sharjah Airport International Free Zone Authority pursuant to Law No. 2 of 1995, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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INDEPENDENT AUDITOR'S REPORT

(continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISAs 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 these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Company'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 statements 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

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INDEPENDENT AUDITOR'S REPORT

(continued)

Report on Other Legal and Regulatory Requirements

We further confirm that the financial statements comply with Implementation Procedures issued by the Sharjah Airport International Free Zone Authority pursuant to Law No. 2 of 1995; we have obtained all the information and explanations necessary for our audit and proper books of account and other records have been maintained in accordance with the said regulation.

OASIS HOLDING (FZC)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

	Notes	2018 AED	2017 AED
ASSETS			
Non-current assets			
Capital work in progress	6	--	48,915,955
Investment property	7	47,569,216	--
		47,569,216	48,915,955
Current assets			
Prepayments and other receivables	8	135,883	11,125
Cash and cash equivalents	9	73,408	55,398
		209,291	66,523
Total assets		47,778,507	48,982,478
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	10	150,000	150,000
Retained earnings/(accumulated losses)		1,391,288	(378,395)
Shareholders' equity funds/(deficit)		1,541,288	(228,395)
Advances from shareholders for projects	11	45,978,761	47,295,841
		47,520,049	47,067,446
Non-current liabilities			
Retention payable		--	825,000
Current liabilities			
Retention payable		--	825,000
Accruals and other payables	13	258,458	265,032
		258,458	1,090,032
Total liabilities		258,458	1,915,032
Total equity and liabilities		47,778,507	48,982,478

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 to 3.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them. We confirm that we have made available all relevant accounting records and information for their compilation.

Authorised for issue by the directors on 3 April 2018.

For **OASIS HOLDING (FZC)**

DIRECTORS

OASIS HOLDING (FZC)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 AED	2017 AED
Investment income	15	3,607,392	--
Other operating income	16	7,292	--
Depreciation on investment property		(1,572,887)	--
Other operating expenses	17	(272,114)	(43,315)
PROFIT/(LOSS) FOR THE YEAR		1,769,683	(43,315)
Other comprehensive income:			
Other comprehensive income for the year		--	--
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,769,683	(43,315)

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 to 3.

Authorised for issue by the directors on 3 April 2018.

For **OASIS HOLDING (FZC)**

DIRECTORS

OASIS HOLDING (FZC)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Share capital	Retained earnings /(accumulated losses)	Total
	AED	AED	AED
Balance at 1 April 2016	150,000	(335,080)	(185,080)
Total comprehensive income for the year	--	(43,315)	(43,315)
Balance at 31 March 2017	150,000	(378,395)	(228,395)
Total comprehensive income for the year	--	1,769,683	1,769,683
Balance at 31 March 2018	150,000	1,391,288	1,541,288

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 to 3.

OASIS HOLDING (FZC)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	2018 AED	2017 AED
Cash flows from operating activities		
Profit/(loss) for the year	1,769,683	(43,315)
Depreciation on investment property	1,572,887	--
	<u>3,342,570</u>	(43,315)
Increase in prepayments and other receivables	(124,758)	(187)
Decrease in accruals and other payables	(6,574)	--
Net cash from/(used in) operating activities	<u>3,211,238</u>	(43,502)
Cash flows from investing activities		
Payment for capital work in progress	(1,876,148)	(13,624,221)
Net cash used in investing activities	<u>(1,876,148)</u>	(13,624,221)
Cash flows from financing activities		
Funds (withdrawn)/ introduced by shareholders	(1,317,080)	13,450,998
Net cash (used in)/from financing activities	<u>(1,317,080)</u>	13,450,998
Net increase/(decrease) in cash and cash equivalents	18,010	(216,725)
Cash and cash equivalents at beginning of year	55,398	272,123
Cash and cash equivalents at end of year (note 9)	73,408	55,398

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on pages 1 to 3.

OASIS HOLDING (FZC)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. LEGAL STATUS AND BUSINESS ACTIVITY

- a) **OASIS HOLDING (FZC)** (the “Company”) is a limited liability company registered in Sharjah Airport International Free Zone, Sharjah, UAE as a Free Zone Company, in accordance with the provision of Law No. 2 of 1995 of H.H. Sheikh Sultan Bin Mohammed Al Qassimi, the Ruler of Sharjah. The registered office is PO Box 121943, Executive Suite, Sharjah, United Arab Emirates. The Company was registered on 18 June 2008 and commenced operations thereon.
- b) The Company operates under license no. 06338 issued by Sharjah Airport International Free Zone Authority and is engaged in the activity of investment of own financial resources.
- c) The parent company is Belle Terre Realty Limited, Mauritius and the ultimate parent company is Jai Corp. Limited, India.

2. BASIS OF PREPARATION

a) Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning 1 January 2017, and the requirements of the laws of Sharjah Airport Free Zone Authority.

b) Basis of measurement

The financial statements are prepared using historical cost.

Historical cost is based on the fair value of the consideration given to acquire the asset or cash or cash equivalents expected to be paid to satisfy the liability.

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.

c) Going concern

The financial statements are prepared on a going concern basis.

When preparing the financial statements, management makes an assessment of a Company’s ability to continue as a going concern. Financial statements are prepared on a going concern basis unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

d) Adoption of new International Financial Reporting Standards

Standards and interpretations effective for the current year

The International Financial Reporting Standards, amendments thereto and Interpretations that became effective for the current reporting period and which are applicable to the Company are as follows:

OASIS HOLDING (FZC)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

- Amendments to IAS 7 Disclosure Initiative (1 January 2017)
The amendments require the disclosure that enable the users to evaluate the changes in liabilities arising from financing activities, including changes arising from cash flow and non cash changes.

New and revised IFRSs in issue but not yet effective

The following International Financial Reporting Standards, amendments thereto and Interpretations that are assessed by management as likely to have an impact on the financial statements, have been issued by the IASB prior to the date the financial statements were authorised for issue, but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

- IFRS 9: Financial instruments (1 January 2018)
IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost. The determination is made at initial recognition. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the profit or loss, unless this creates an accounting mismatch.
- IFRS 15: Revenue from Contracts with Customers (1 January 2018)
The International Accounting Standard Board (IASB) has published its new revenue Standard, IFRS 15 'Revenue from Contracts with Customers'. IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard supersedes IAS 18 'Revenue', IAS 11 'Construction Contracts' and a number of revenue-related interpretations. Application of the standard is mandatory for all IFRS reporters and it applies to nearly all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts.
- Clarifications to IFRS 15: Revenue from Contracts with Customers (1 January 2018)
- IFRS 16: Leases (1 January 2019)
IFRS 16 introduces a number of significant changes to lease accounting model. It eliminates the classification of leases as either operating lease or finance lease for a lessee and instead all the leases are treated similar to a finance lease. The standard however, does not require an entity to recognise assets and liabilities for a) Short- term leases (for a period of twelve months or less) and b) Leases of low value assets.

e) **Functional and presentation currency**

The financial statements are presented in UAE Dirhams ("AED") which is also the Company's functional currency.

OASIS HOLDING (FZC)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted, and which have been consistently applied, are as follows:

a) Investment property

Cost model

Leasehold rights and building acquired for the purposes of earning rental income and for capital appreciation are classified as investment properties and stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method over the expected useful lives of the properties as follows:

Leasehold rights	41 years
Building	20 years

Capital work-in-progress is stated at cost less any impairment losses and is not depreciated. This will be depreciated from the date the relevant assets are ready for use.

An assessment of depreciation method, useful lives and residual values is undertaken at each reporting date and, where material, if there is a change in estimate, an appropriate adjustment is made to the depreciation charge.

b) Revenue

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, returns and other similar allowances.

Rental income

Rent received from renting of properties during the year is based on contractual agreements and is accounted on accrual basis. Rent received in advance for future periods is carried forward and included in current liabilities.

c) Leases

Leases under which substantially all the risks and rewards of ownership of the related asset remain with the lessor are classified as operating leases and the lease payments are charged to profit or loss on a straight-line basis over the period of the lease.

d) Foreign currency transactions

Transactions in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling on the date of the transactions.

Monetary assets and liabilities expressed in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling at the reporting date.

OASIS HOLDING (FZC)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Gains or losses resulting from foreign currency transactions are taken to profit or loss.

e) **Provisions**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

f) **Financial instruments**

Financial assets and financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Financial assets are de-recognised when, and only when, the contractual rights to receive cash flows expire or when substantially all the risks and rewards of ownership have been transferred.

Financial liabilities are de-recognised when, and only when, they are extinguished, cancelled or expired.

Financial assets

Loans and receivables

Deposits and other receivables

Deposits and other receivables are classified as loans and receivables and stated at cost, as the interest that would be recognised from discounting future cash receipts over the short credit period is not considered to be material.

Cash and cash equivalents

Cash and cash equivalents comprise bank current account and call deposit free of encumbrance with a maturity date of three months or less from the date of deposit.

Financial liabilities

At amortised cost

Accruals and other payables

Accruals and other payables are stated at cost, as the interest that would be recognised from discounting future cash payments over the short credit period is not considered to be material.

OASIS HOLDING (FZC)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Related party payables

Advances from shareholders for projects are stated at cost, as the interest that would be recognised from discounting future cash payments over the short credit period is not considered to be material.

Equity

Share capital is recorded at the value of proceeds received towards interest in share capital of the Company.

Impairment of financial assets

All financial assets are assessed for indicators of impairment at each reporting date. Impairment losses and reversals thereof are recognised in profit or loss.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

g) **Fair value measurement**

The Company discloses the fair value of financial instruments measured at amortised cost.

The 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in their best economic interests.

4. **SIGNIFICANT JUDGMENTS EMPLOYED IN APPLYING ACCOUNTING POLICIES**

The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

Impairment

At each reporting date, management conducts an assessment of investment property and all financial assets to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made. In the case of loans and receivables, if an amount is deemed irrecoverable, it is written off to profit or loss or, if previously a provision was made, it is written off against the provision. Reversals of provisions against loans and receivables are made to the extent of the related amounts being recovered.

OASIS HOLDING (FZC)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

Key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Impairment of loans and receivables

Management regularly undertakes a review of the amounts of loans and receivables owed to the Company from third parties (see note 8) and assesses the likelihood of non-recovery. Such assessment is based upon the age of the debts, historic recovery rates and assessed creditworthiness of the debtor. Based on the assessment assumptions are made as to the level of provisioning required.

Impairment

Assessments of net recoverable amounts of investment property and all financial assets other than loans and receivables (see above) are based on assumptions regarding future cash flows expected to be received from the related assets.

	2018 AED	2017 AED
6. CAPITAL WORK IN PROGRESS		
Opening balance	48,915,955	33,385,702
Additions during the year	226,148	15,530,253
Transfer (note 7)	(49,142,103)	--
Closing balance	<u> --</u>	<u>48,915,955</u>

7. INVESTMENT PROPERTY

	Leasehold rights ^(a) AED	Building ^{(b),(c)} AED	Total AED
Cost			
Transfer (note 6)	31,564,950	17,577,153	49,142,103
At 31 March 2018	<u>31,564,950</u>	<u>17,577,153</u>	<u>49,142,103</u>
Accumulated depreciation			
Depreciation	732,555	840,332	1,572,887
At 31 March 2018	<u>732,555</u>	<u>840,332</u>	<u>1,572,887</u>
Carrying amount			
At 31 March 2018	<u>30,832,395</u>	<u>16,736,821</u>	<u>47,569,216</u>

- a) This represents amount paid for rights to leasehold land in the year 2008. The leasehold land is situated in Dubai, UAE. The lease is for a period of 50 years and valid up to 18 June 2058.

OASIS HOLDING (FZC)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

- b) This represents building costing AED 17,577,153 (previous year AED Nil) and carrying amount of AED 16,736,821 (previous year AED Nil) used for labour accommodation situated in Dubai, UAE which is constructed on the leasehold land. The construction has been completed on 17 April 2017.
- c) The management is of the opinion that, in the absence of comparable market prices the fair values of building cannot be reasonably reliably determined but are considered to be at least equal to their carrying amount.

	2018 AED	2017 AED
8. PREPAYMENTS AND OTHER RECEIVABLES		
Prepayments	7,625	7,625
Deposits	20,866	3,500
Accrued rent	107,392	--
	<u>135,883</u>	<u>11,125</u>
9. CASH AND CASH EQUIVALENTS		
Bank balances:		
Current account	55,497	37,292
Call deposit	17,911	18,106
	<u>73,408</u>	<u>55,398</u>
10. SHARE CAPITAL		
100 shares of AED 1,500 each	<u>150,000</u>	<u>150,000</u>

The shareholders at 31 March 2018 and their interest as at that date in the share capital of the Company were as follows:

Name	No. of shares	AED
Belle Terre Realty Limited	75	112,500
GRP Holdings Limited	25	37,500
	<u>100</u>	<u>150,000</u>

	2018 AED	2017 AED
11. ADVANCES FROM SHAREHOLDERS FOR PROJECTS		
Opening balance	47,295,841	33,844,843
Funds (withdrawn)/introduced (net)	(1,317,080)	13,450,998
Closing balance	<u>45,978,761</u>	<u>47,295,841</u>

OASIS HOLDING (FZC)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

12. RELATED PARTIES

The Company enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24. The management considers such transactions to be in the normal course of business and at prices determined by the management.

Related parties comprise the parent company, the ultimate parent company, companies under common ownership and/or common management control and shareholders.

At the reporting date, significant balances with shareholders were as follows:

	2018 AED	2017 AED
Advances from shareholders for projects	<u>45,978,761</u>	<u>47,295,841</u>

Advances from shareholders for projects are unsecured, interest free and are expected to be settled in cash. Repayment and other terms are set out in notes 11 and 18.

The Company avails administrative services from a related party free of cost.

13. ACCRUALS AND OTHER PAYABLES

Accruals	12,000	9,000
Deferred rental income	27,708	--
Payable to supplier for capital asset	--	256,032
Other payables	218,750	--
	<u>258,458</u>	<u>265,032</u>

The entire accruals and other payables are due for payment in one year.

14. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to ensure that the Company continues as a going concern and to provide the shareholders with a rate of return on their investment commensurate with the level of risk assumed.

Capital, which is unchanged from previous year, comprises shareholders' funds as presented in the statement of financial position together with the advances from shareholders for projects. Debt comprises total amounts owing to third parties, net of cash and cash equivalents.

The Company is subject to externally imposed capital requirements as per the Implementation Regulations issued by Sharjah Airport Free Zone Authority pursuant to Law No. 2 of 1995 (refer note 20).

Funds introduced by way of advance received from shareholders for projects are retained in the business, according to the business requirements and maintain capital at desired levels.

OASIS HOLDING (FZC)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

15. INVESTMENT INCOME

This represents rental income earned on leasing of the labour accommodation situated in Dubai, UAE.

	2018 AED	2017 AED
16. OTHER OPERATING INCOME		
Miscellaneous income	<u>7,292</u>	--
17. OTHER OPERATING EXPENSES		
Commission	210,000	--
Trade license renewal fees	33,010	33,000
Other expenses	<u>29,104</u>	10,315
	<u><u>272,114</u></u>	<u><u>43,315</u></u>

18. FINANCIAL INSTRUMENTS

The net carrying amounts as at the reporting date of financial assets and financial liabilities are as follows:

	Loans and receivables		At amortised cost	
	2018 AED	2017 AED	2018 AED	2017 AED
Deposits and other receivables	128,258	3,500	--	--
Cash and cash equivalents	73,408	55,398	--	--
Retention payable	--	--	--	1,650,000
Accruals and other payables	--	--	230,750	265,032
Advance from shareholders for projects	--	--	45,978,761	47,295,841
	<u>201,666</u>	<u>58,898</u>	<u>46,209,511</u>	<u>49,210,873</u>

Management of risk

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed.

The primary risks to which the business is exposed comprise credit risks, liquidity risks and market risks (including currency risks, cash flow interest rate risks and fair value interest rate risks).

Credit risk is managed by assessing the creditworthiness of potential customers and the potential for exposure to the market in which they operate, combined with regular monitoring and follow-up.

Management continuously monitors its cash flows to determine its cash requirements and makes arrangement with related parties to manage exposure to liquidity risk.

OASIS HOLDING (FZC)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Exposure to foreign currency transactions is minimised by denominating the transaction in US Dollars to which the UAE Dirham is pegged.

Exposures to the aforementioned risks are detailed below:

Credit risk

Financial assets that potentially expose the Company to concentrations of credit risk comprise principally bank accounts and deposits and other receivables.

The Company's bank accounts are placed with high credit quality financial institutions.

There are no trade receivables at the reporting date (previous year Nil).

Currency risk

There are no significant currency risks as substantially all financial assets and financial liabilities are denominated in UAE Dirhams or US Dollars to which the Dirham is fixed.

Interest rate risk

As at the reporting date the Company is not exposed to any significant interest rate risk.

Fair values

The 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. The fair values of the Company's financial assets and financial liabilities, which are required to be carried at cost or at amortised cost, approximate to their carrying values except for "advances from shareholders for projects" which due to its terms and nature have a carrying value lower than the fair value.

	2018	2017
	AED	AED
19. OTHER CONTRACTED COMMITMENTS		
For construction of proposed labour camp on the land	<u> -- </u>	<u> 53,340 </u>
20. FREE ZONE AUTHORITY REGULATIONS		
As the net assets of the establishment are below 75 percent of its share capital, in accordance with the Implementation Procedures issued by the Sharjah Airport International Free Zone Authority pursuant to Law No. 2 of 1995, the directors have remedied the situation and have introduced funds by way of advances from shareholders for projects.		

For **OASIS HOLDING (FZC)**

DIRECTORS