Oasis Holding (FZC)
Sharjah – U.A.E.

Financial Statements and Independent Auditor's Report
31 March 2019

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 2019

CONTENTS	PAGE

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 2019, 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 2019, 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 gives true and fair view.

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 2019

	Notes	2019 AED	2018 AED
ASSETS			
Non-current assets			
Investment property	7	**45,913,746**	47,569,216
Current assets			
Other receivables	8	**232,525**	128,258
Other current assets	9	**13,463**	7,625
Cash and cash equivalents	10	**214,933**	73,408
		460,921	209,291
Total assets		**46,374,667**	47,778,507
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	11	**150,000**	150,000
Retained earnings		**565,011**	1,391,288
Equity funds		**715,011**	1,541,288
Advances from shareholders for projects	12	**45,323,111**	45,978,761
Total shareholders' funds		**46,038,122**	47,520,049
Current liabilities			
Accruals and other payables	14	**240,715**	230,750
Other current liabilities	15	**6,805**	27,708
Contract liabilities	16	**89,025**	--
Total liabilities		**336,545**	258,458
Total equity and liabilities		**46,374,667**	47,778,507

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.

Approved and authorised for issue by the shareholders on 4 April 2019.

For **OASIS HOLDING (FZC)**

DIRECTORS

OASIS HOLDING (FZC)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 AED	2018 AED
Revenue from contracts with customers	18	**1,085,893**	3,607,392
Cost of revenue	19	**(1,882,899)**	(1,584,081)
Gross (loss)/profit		**(797,006)**	2,023,311
Other income	20	**20,903**	7,292
Administrative expenses	21	**(50,174)**	(260,920)
(LOSS)/PROFIT FOR THE YEAR		**(826,277)**	1,769,683
Other comprehensive income:			
Other comprehensive income for the year		**--**	--
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(826,277)**	1,769,683

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.

Approved and authorised for issue by the shareholders on 4 April 2019.

For **OASIS HOLDING (FZC)**

DIRECTORS

OASIS HOLDING (FZC)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

	Share capital AED	Retained earnings AED	Total AED
Balance at 1 April 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
Total comprehensive income for the year	--	(826,277)	(826,277)
Balance at 31 March 2019	**150,000**	**565,011**	**715,011**

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 2019

	2019 AED	2018 AED
Cash flows from operating activities		
(Loss)/profit for the year	(826,277)	1,769,683
Depreciation on investment property	1,643,878	1,572,887
	817,601	3,342,570
Changes in:		
– Other receivables	(92,675)	(124,758)
– Other current assets	(5,838)	--
– Accruals and other payables	9,965	(6,574)
– Other current liabilities	(20,903)	--
– Contract liabilities	89,025	--
Net cash from operating activities	797,175	3,211,238
Cash flows from investing activities		
Payment for capital work in progress	--	(1,876,148)
Net cash used in investing activities	--	(1,876,148)
Cash flows from financing activities		
Payment of advances for projects to shareholders (net)	(655,650)	(1,317,080)
Net cash used in financing activities	(655,650)	(1,317,080)
Net increase in cash and cash equivalents	141,525	18,010
Cash and cash equivalents at beginning of year	73,408	55,398
Cash and cash equivalents at end of year (note 10)	214,933	73,408

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.

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 2018, 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 period

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:

- IFRS 9: Financial instruments
- IFRS 15: Revenue from Contracts with Customers

The impact of adoption of these standards and the new accounting policies are explained below in more detail:

IFRS 9: Financial instruments

Impact of adoption

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

Changes in accounting policies resulting from the adoption of IFRS 9 have not resulted in any material impact on opening balances of retained earnings or equity as of 1 April 2018.

(i) Classification and measurement

On the date of initial application of IFRS 9, i.e. 1 April 2018, the Company's management has assessed which business models apply to the financial assets held by the Company and has classified its financial instruments into the appropriate IFRS 9 categories. Management has concluded that there is no material reclassification of financial assets other than disclosed below.

Financial assets	**Original classification under IAS 39**	**New classification under IFRS 9**
Other receivables	Loans and receivables	Amortised cost
Cash and cash equivalents	Loans and receivables	Amortised cost

The adoption of IFRS 9 has not resulted in any change in classification or measurement of financial liabilities.

(ii) Impairment of financial assets

The Company has the following types of financial assets that are subject to IFRS 9's new Expected Credit Loss (ECL) model:

- Other receivables
- Cash and cash equivalents

For cash and cash equivalents and other receivables, the Company has applied 12-month ECL model and the identified impairment loss was immaterial.

IFRS 9 accounting policies

The application of the new standard required the management to apply the new accounting policies, which are summarised in note 3 (h) to the financial statements under significant accounting policies.

IFRS 15: Revenue from contracts with customers

Impact of adoption

IFRS 15 supersedes IAS 11 *Construction Contracts*, IAS 18 *Revenue* and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in scope of other standards. The new standard established a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange of transferring goods or services to customers.

The standard requires the Company to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining contract and the costs directly related to fulfilling a contract.

The Company has adopted IFRS 15 using the cumulative effect method (without practical expedients), in which the effect of initially applying this standard are recognised at the date of initial application (i.e. 1 April 2018). Accordingly, the information presented for 2018 has not been restated - i.e. it is presented, as previously reported, under IAS 18, IAS 11 and related interpretations. Changes in accounting policies resulting from the adoption of IFRS 15 have not resulted in any material impact on the opening balance of retained earnings/equity as of 1 April 2018.

IFRS 15 accounting policies

The application of the new standard required the management to apply the new accounting policies, which are summarised in note 3(b) to the financial statements under significant accounting policies.

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 16: Leases (1 January 2019)
  IFRS 16, published in January 2016 replaces the previous guidance in IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a Lease, SIC-15 Operating Leases – Initiatives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. Under this revised guidance, leases will be brought onto the lessee's statement of financial position, increasing the visibility of their assets and liabilities. It further removes the classification of leases as either operating leases or finance leases treating all leases as finance leases from the perspective of the lessee, thereby eliminating the requirement for lease classification test.

The revised guidance has an increased focus on who controls the asset and may change which contracts are leases.

The above standard is currently being assessed by the management to determine any material impact on the financial statements.

e) **Functional and presentation currency**

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

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

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 from contracts with customers**

The Company is engaged in the activity of investment of own financial resources.

Revenue from contracts with customers is recognised when the control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

1. Identify the contracts with customers: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
5. Recognise revenue when (or as) the Company satisfies a performance obligation at a point in time or over time.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied. The Company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

Rental income

The Company provides rental services to a customer. Contracts for rental services are comprised of single performance obligation because the promise to provide services cannot be distinct and separately identifiable. The Company recognises revenue from rental services over time to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Company.

c) ***Contract liabilities***

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

d) **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.

e) **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.

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

f) **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.

g) **Value added tax**

As per the Federal Decree-Law No. (08) of 2017, effective from January 1, 2018, Value Added Tax (VAT), is charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the taxable person. The Company is required to file its VAT returns and compute the payable tax (which is output tax less input tax) for the allotted tax periods and deposit the same within the prescribed due dates of filing VAT return and tax payment. The residential accommodation of more than 182 days (including labour camp for industrial employees) are considered exempt and non-taxable.

h) **Financial instruments**

IFRS 9 contains three principal classification categories for financial assets - i.e. measured at: amortised cost, fair value through other comprehensive income (“FVTOCI”) and fair value through profit or loss (“FVTPL”). The existing IAS 39 categories of held-to-maturity, loans and receivables, and available-for-sale are removed.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

Classification

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (“FVTOCI”) – debt investment; FVTOCI – equity investment; or fair value through profit or loss (“FVTPL”).

The classification of financial assets depends on the Company's business model for managing the financial assets that whether 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 cash flows that whether 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. Management determines the classification of its investment at initial recognition.

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at FVTPL or at amortised cost. The Company determines the classification of its financial liabilities at initial recognition.

Recognition
Financial assets and financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

Derecognition
Financial assets are de-recognised when, and only when,

- The contractual rights to receive cash flows expire or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  (a) the Company has transferred substantially all the risks and rewards of the asset, or
  (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities are de-recognised when, and only when, they are extinguished i.e. when obligation specified in the contract is discharged, cancelled or expired.

Measurement
A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. Transactions costs of financial assets carried at FVTPL are expensed in profit or loss.

The following accounting policies apply to the subsequent measurement of financial assets and liabilities.

Financial assets at amortised cost
Financial assets that meet the following conditions are subsequently measured at amortised cost less impairment loss and deferred income, if any (except for those assets that are designated as at fair value through other comprehensive income on initial recognition) using the effective interest method. All other financial assets are subsequently measured at fair value.

1. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
2. the contractual terms of the instrument give rise to cash flows on specified dates that are solely payments of principal and profit on the principal amount outstanding.

Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost comprise of accruals and other payables and advances from shareholders for projects.

Impairment of financial assets
IFRS 9 replaces the 'incurred loss' model in IAS 39 with a forward looking 'expected credit loss' (ECL) model. This requires considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis. The new impairment model will apply to financial assets measured at amortised cost or FVTOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than IAS 39.

The financial assets at amortised cost comprise of other receivables and cash and cash equivalents.

Under IFRS 9, loss allowances are measured on either of the following basis:

- 12-month ECLs: ECLs that result from possible default events within 12 months after the reporting date; and
- Lifetime ECLs: ECLs that result from all possible default events over the expected life of a financial instrument.

The Company measures the loss allowance at an amount equal to lifetime ECLs, except for the following which are measured as 12-month ECLs:

- Bank balances and other receivables for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportive information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or

- The financial asset is more than 360 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the asset.

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.

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

i) **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:

Investment property
Properties acquired on a leasehold basis are classified as investment property if they would otherwise fall within the definition of an investment property.

Classification of financial assets
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

Impairment
At each reporting date, management conducts an assessment of investment property 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.

The Company applies expected credit loss (ECL) model to measure loss allowance in case of financial assets on the basis of 12-month ECLs or Lifetime ECLs depending on credit risk characteristics and how changes in economic factors affect ECLs, which are determined on a probability-weighted basis.

Recognition of revenue and allocation of transaction price
Identification of performance obligations
The Company determined that the *sale of services is* provided as a single component to customers and accordingly it becomes single performance obligation in respect of the services being sold.

Determine timing of satisfaction of performance obligation
The Company concluded that revenue from services is to be recognised over time as the customer simultaneously receives the benefit as the company performs. The fact that another entity would not need to re-perform the services that the Company has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of the Company's performance as it performs.

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

Assessments of net recoverable amounts of investment property are based on assumptions regarding future cash flows expected to be received from the related assets.

Impairment of financial assets

The loss allowance for financial assets are based on assumptions about the risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3(h).

	2019 AED	2018 AED
6. CAPITAL WORK IN PROGRESS		
Opening balance	--	48,915,955
Additions during the year	--	226,148
Transfer (note 7)	--	(49,142,103)
Closing balance	--	--

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	31,564,950	17,577,153	49,142,103
Transfer to deposits	--	(11,592)	(11,592)
At 31 March 2019	**31,564,950**	**17,565,561**	**49,130,511**
Accumulated depreciation			
Depreciation	732,555	840,332	1,572,887
At 31 March 2018	732,555	840,332	1,572,887
Depreciation	766,145	877,733	1,643,878
At 31 March 2019	**1,498,700**	**1,718,065**	**3,216,765**
Carrying amount			
At 31 March 2018	30,832,395	16,736,821	47,569,216
At 31 March 2019	**30,066,250**	**15,847,496**	**45,913,746**

(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.

(b) This represents building costing AED 17,565,561 (previous year AED 17,577,153) and carrying amount of AED 15,847,496 (previous year AED 16,736,821) used for labour accommodation situated in Dubai, UAE which is constructed on the leasehold land.

(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.

		2019 AED	2018 AED
8.	**OTHER RECEIVABLES**		
	Deposits	232,525	20,866
	Accrued rent	--	107,392
		232,525	128,258
9.	**OTHER CURRENT ASSETS**		
	Prepayments	7,625	7,625
	VAT receivable (net)	5,838	--
		13,463	7,625
10.	**CASH AND CASH EQUIVALENTS**		
	Cash on hand	2,054	--
	Bank balances:		
	Current account	195,170	55,497
	Call deposit	17,709	17,911
		214,933	73,408
11.	**SHARE CAPITAL**		
	100 shares of AED 1,500 each	150,000	150,000

The shareholders at 31 March 2019 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
	100	**150,000**

		2019 AED	2018 AED
12.	**ADVANCES FROM SHAREHOLDERS FOR PROJECTS**		
	Opening balance	45,978,761	47,295,841
	Funds withdrawn (net)	(655,650)	(1,317,080)
	Closing balance	45,323,111	45,978,761

13. **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:

	2019 AED	2018 AED
Advances from shareholders for projects	45,323,111	45,978,761

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 12 and 22.

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

14.	**ACCRUALS AND OTHER PAYABLES**		
	Accruals	20,715	12,000
	Other payables	220,000	218,750
		240,715	230,750

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

15.	**OTHER CURRENT LIABILITIES**		
	Other payables	6,805	27,708
16.	**CONTRACT LIABILITIES**		
	Unearned rental income	89,025	--

17. **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 24).

Funds generated from internal accruals together with 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.

18. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company generates revenue from the transfer of goods and services over time and at a point in time. The disaggregated revenue from contracts with customers by geographical segments and type of services is presented below. The management believes that this best depicts the nature, amount, timing and uncertainty of the Company's revenue and cash flows.

	2018 USD	2017 USD
Primary Geographical segments		
– UAE	**1,085,893**	3,607,392
Major service lines		
– Rental income	**1,085,893**	3,607,392
Timing of revenue recognition		
– Over period of time	**1,085,893**	3,607,392

19. COST OF REVENUE

Depreciation on investment property	**1,643,878**	1,572,887
Repairs and maintenance	**172,177**	11,194
Other direct costs	**66,844**	--
	1,882,899	1,584,081

20. OTHER INCOME

Miscellaneous income	**20,903**	7,292

21. ADMINISTRATIVE EXPENSES

Trade license renewal fees	**36,532**	33,010
Commission	**--**	210,000
Other expenses	**13,642**	17,910
	50,174	260,920

22. **FINANCIAL INSTRUMENTS**

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

At 31 March 2019	**At amortised cost**
	AED
Financial assets	
Other receivables	**232,525**
Cash and cash equivalents	**214,933**
	447,458
Financial liabilities	
Accruals and other payables	**240,715**
Advance from shareholders for projects	**45,323,111**
	45,563,826

The effect of initially applying IFRS 9 on the Company's financial instruments is described in Note 2(d). Due to the transition method chosen, comparative information has not been restated to reflect the new requirements.

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 which are unchanged from the previous year, 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.

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 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 Dirham or US Dollar 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 management assesses the fair values of all its financial assets and financial liabilities at each reporting date.

The fair values of cash and cash equivalents, other receivables, accruals and other payables and advances from shareholders for projects approximate their carrying amounts largely due to the short-term maturities of these instruments.

23. **COMPARATIVE INFORMATION**
Previous year's figures have been regrouped/reclassified wherever necessary to make them comparable to those of the current year.

24. **FREE ZONE AUTHORITY REGULATIONS**
As the net assets of the Company 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