Oasis Holding (FZC)
Sharjah – U.A.E.

Financial Statements and Independent Auditor's Report
31 March 2020

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 2020

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OASIS HOLDING (FZC)

STATEMENT OF FINANCIAL POSITION
AS AT 31 March 2020

	Notes	2020 AED	2019 AED
ASSETS			
Non-current assets			
Investment property	6	**44,269,324**	45,913,746
Current assets			
Other receivables	7	**232,525**	232,525
Other current assets	8	**10,838**	13,463
Cash and cash equivalents	9	**532,680**	214,933
		776,043	460,921
Total assets		**45,045,367**	46,374,667
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	10	**150,000**	150,000
Retained earnings		**1,127,357**	565,011
Equity funds		**1,277,357**	715,011
Advances from shareholders for projects	11	**42,648,371**	45,323,111
Total shareholders' funds		**43,925,728**	46,038,122
Current liabilities			
Accruals and other payables	13	**386,306**	240,715
Differed income	14	**733,333**	95,830
Total liabilities		**1,119,639**	336,545
Total equity and liabilities		**45,045,367**	46,374,667

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 2020.

For **OASIS HOLDING (FZC)**

DIRECTORS

OASIS HOLDING (FZC)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 March 2020

	Notes	2020 AED	2019 AED
Revenue		**--**	--
Income from rental properties (net)	16	**587,159**	(797,006)
Other income	17	**31,597**	20,903
Administrative expenses	18	**(56,410)**	(50,174)
PROFIT/(LOSS)FOR THE YEAR		**562,346**	(826,277)
Other comprehensive income:			
Other comprehensive income for the year		**--**	--
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**562,346**	(826,277)

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 2020.

For **OASIS HOLDING (FZC)**

DIRECTORS

OASIS HOLDING (FZC)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 March 2020

	Share capital AED	Retained earnings AED	Total AED
Balance at 1 April 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
Total comprehensive income for the year	--	562,346	562,346
Balance at 31 March 2020	**150,000**	**1,127,357**	**1,277,357**

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 2020

	2020	2019
	AED	AED
Cash flows from operating activities		
Profit/(loss) for the year	562,346	(826,277)
Depreciation on investment property	1,644,422	1,643,878
	2,206,768	817,601
Changes in:		
– Other receivables	--	(92,675)
– Other current assets	2,625	(5,838)
– Accruals and other payables	145,591	98,990
– Other current liabilities	637,503	(20,903)
Net cash from operating activities	2,992,487	797,175
Cash flows from financing activities		
Payment of advances for projects to shareholders (net)	(2,674,740)	(655,650)
Net cash used in financing activities	(2,674,740)	(655,650)
Net increase in cash and cash equivalents	317,747	141,525
Cash and cash equivalents at beginning of year	214,933	73,408
Cash and cash equivalents at end of year (note 9)	532,680	214,933

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 April 2019, 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.

The uncertainty due to recent COVID-19 outbreak with regard to the future impact on the Establishment's business performance has been considered as part of management's assessment of the Establishment's ability to continue as a going concern. The management has concluded that an estimate of the potential impact of COVID-19, if any on the business performance cannot be made as of the date of these financial statements, since the outcome is dependent on future events which are uncertain. However, the management currently believes that it has adequate liquidity and business plans to continue with the operations and mitigate the risks, if any associated with COVID-19 [note 23].

d) **Adoption of new International Financial Reporting Standards**

Standards, amendments, improvements and interpretations effective for the current period

The International Financial Reporting Standard, amendments, improvements and interpretation that became effective for the current reporting period are as follows:

- IFRS 16: Leases
- Amendments to IFRS 9: Prepayment Features with Negative Compensation and Modification of financial liabilities
- Amendments to IAS 28: Investment in Associates and Joint Ventures relating to long-term interests in associates and joint ventures
- Annual Improvements 2015-2017 Cycle:

  - IFRS 3 Business Combinations
  - IFRS 11 Joint Arrangements
  - IAS 12 Income Taxes
  - IAS 23 Borrowing Costs
- Amendments to IAS 19: Employee Benefits Plan Amendment, Curtailment or Settlement
- IFRIC 23: Uncertainty over Income Tax Treatments

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

IFRS 16: Leases

IFRS 16 was issued in January 2016 and is effective for annual periods beginning on or after 1 January 2019, which supersedes 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. The standard requires lessees to account for most leases under a single on-balance sheet model and sets out the principles for the recognition, measurement, presentation and disclosure of leases. Lessor accounting remains similar to previous accounting policies. Lessors will continue to classify leases as either operating or finance leases using similar principals as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Company is the lessor.

Adoption of IFRS 16 did not have any significant impact on the Company’s financial statements.

IFRS 16 accounting policies

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

Other amendments and improvements
The following amendments and improvements, which became effective 1 January 2019, did not have any significant impact on the Company's financial statements:

- Amendments to IFRS 9: Prepayment Features with Negative Compensation and Modification of financial liabilities
- Amendments to IAS 28: Investment in Associates and Joint Ventures relating to long-term interests in associates and joint ventures
- Annual Improvements 2015-2017 Cycle:
  - IFRS 3 Business Combinations
  - IFRS 11 Joint Arrangements
  - IAS 12 Income Taxes
  - IAS 23 Borrowing Costs (include only if not applicable – see above)
- Amendments to IAS 19: Employee Benefits Plan Amendment, Curtailment or Settlement
- IFRIC 23: Uncertainty over Income Tax Treatments

New and revised IFRSs in issue but not yet effective
The following amendments and interpretations 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.

- Amendments to IAS 1 and IAS 8: Definition of Material (1 January 2020)
- The Conceptual Framework for Financial Reporting (1 January 2020)

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 recognition**

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.

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

Rental income from operating leases is recognised, net of discounts, in accordance with the terms of lease contracts over the lease term on a straight-line basis, except when an alternative basis is more representative of the pattern of benefits to be derived from the leases assets.

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**

As a lessee

The Company leases various properties, equipment and cars. Rental contracts are typically made for fixed periods of 1 to …. years but may have extension options [*except in case of vehicles and some office spaces due to the fact that the Company could replace them without significant cost or business disruption]*. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease arrangements do not impose any covenants, however leased assets are not used as security for borrowing purposes.

Set out below are the new accounting policies of the Company upon adoption of IFRS 16, which have been applied from the date of initial application:

Right-of-use assets

The Company recognises right-of-use assets at the date the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any reimbursement of lease liabilities. The cost of right-of-use assets includes:

the amount of the initial measurement of lease liability;
any lease payments made at or before the commencement date less any lease incentives received;
any initial costs; and
restoration costs.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-assets are subject to impairment.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

e) **Cash and cash equivalents**

Cash and cash equivalents comprise cash, bank current accounts and bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value

f) **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.

g) **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.

h) **Value added tax**

As per the Federal Decree-Law No. (08) of 2017, 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.

i) **Current versus non-current classification**

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period. or,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period. or,
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

j) **Financial instruments**

Classification

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 at initial recognition depends the financial assets' contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or FVTOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrumental level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cashflows, selling the financial assets, or both.

Financial liabilities 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.

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

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
The Company recognised an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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.

k) **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.

Leases

Determining the lease term

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has the option, under its leases to lease the assets for additional years. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. The Company considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew.

The right-of-use assets recognised as at 1 January 2019 are mainly determined based on the Company's expected lease renewal terms derived primarily from the Company's long-term business plans.

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(j).

6. INVESTMENT PROPERTY

	Right-of-Use asset[a] AED	Building[b],[c] AED	Total AED
Cost			
At 1 April 2018	31,564,950	17,577,153	49,142,103
Transfer of deposit	--	(11,592)	(11,592)
At 31 March 2019 and 31 March 2020	**31,564,950**	**17,565,561**	**49,130,511**
Accumulated depreciation			
At 1 April 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
Depreciation	766,144	878,278	1,644,422
At 31 March 2020	**2,264,844**	**2,596,343**	**4,861,187**
Carrying amount			
At 1 April 2018	30,832,395	16,736,821	47,569,216
At 31 March 2019	30,066,250	15,847,496	45,913,746
At 31 March 2020	**29,300,106**	**14,969,218**	**44,269,324**

(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. The leasehold interest in land is capitalised as Right-of-Use asset.

(b) This represents building costing AED 17,565,561 (previous year AED 17,577,153) and carrying amount of AED 14,969,218 (previous year AED 15,847,496) 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.

		2020	2019
		AED	AED
7.	**OTHER RECEIVABLES**		
	Deposits	232,525	232,525
8.	**OTHER CURRENT ASSETS**		
	Prepayments	7,625	7,625
	VAT receivable (net)	3,213	5,838
		10,838	13,463
9.	**CASH AND CASH EQUIVALENTS**		
	Cash on hand	--	2,054
	Bank balances:		
	Current account	512,280	195,170
	Call deposit	17,400	17,709
		532,680	214,933
10.	**SHARE CAPITAL**		
	100 shares of AED 1,500 each	150,000	150,000

The shareholders at 31 March 2020 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**

		2020	2019
		AED	AED
11.	**ADVANCES FROM SHAREHOLDERS FOR PROJECTS**		
	Opening balance	45,323,111	45,978,761
	Funds withdrawn (net)	(2,674,740)	(655,650)
	Closing balance	42,648,371	45,323,111

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:

	2020	2019
	AED	AED
Advances from shareholders for projects	42,648,371	45,323,111

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 20.

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

13. ACCRUALS AND OTHER PAYABLES

Accruals	138,598	20,715
Other payables	247,708	220,000
	386,306	230,750

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

14. OTHER CURRENT LIABILITIES

Advances received from customers	733,333	95,830

15. 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 22).

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.

		2020 AED	2019 AED
16	**INCOME FROM RENTAL PROPERTOES(NET)**		
	Operating lease income	3,938,192	1,085,893
	Less: Expenses related to investment property:		
	Depreciation on investment property (note 6)	(1,644,422)	(1,643,878)
	Repairs and maintenance	(508,309)	(172,177)
	Utilities	(1,017,325)	(66,844)
	Other direct costs	(180,977)	--
		587,159	(797,006)
17.	**OTHER INCOME**		
	Miscellaneous income	31,597	20,903
18.	**ADMINISTRATIVE EXPENSES**		
	Trade license renewal fees	33,159	36,532
	Other expenses	23,251	13,642
		56,410	50,174

19. FINANCIAL INSTRUMENTS

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

	At amortized cost	
	2020 AED	2019 AED
Financial assets		
Other receivables	232,525	232,525
Cash and cash equivalents	532,680	214,933
	765,205	447,458
Financial liabilities		
Accruals and other payables	386,306	240,715
Advance from shareholders for projects	42,648,371	45,323,111
	43,034,677	45,563,826

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.

21. 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.

20. **SIGNIFICANT EVENTS**

During the last quarter of the year, there was an outbreak of Covid-19 (Coronavirus) across the globe, causing disruptions to economic activity and business operations. Thus, the Establishment's operations may have been affected by this outbreak of Covid-19. However, the extent to which the Covid-19 may impact the operating results, financial position, and cash flows will depend on future events, which are highly uncertain and an estimate of the potential impact cannot made as of the date of these financial statements.

For **OASIS HOLDING (FZC)**

DIRECTORS