

Financial Statement and Audit Report
For the year ended 31st March 2020.

Contents	Page No.
Director's Report	1
Auditor's Report	2
Statement of Balance Sheet	3
Statement of Profit and Loss	4
Cash Flow Statement	5
Statement of Changes in Equity	6
Notes to the Financial Statement	7-12

DIRECTOR'S REPORT

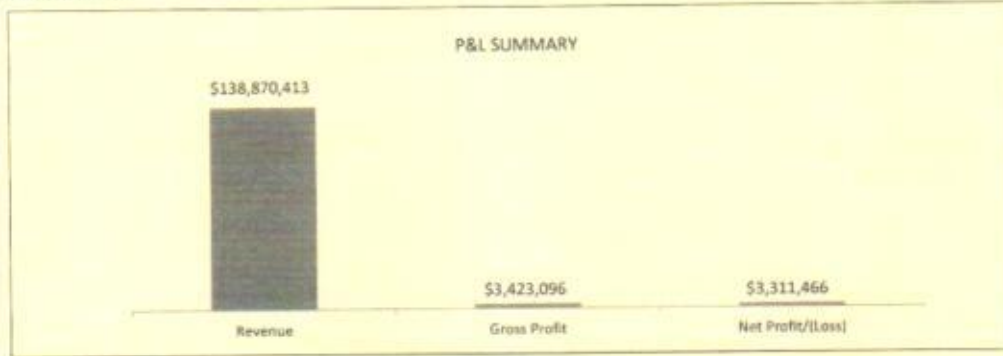
FOR THE YEAR ENDED 31st MARCH 2020.

The directors of Abans Gems & Jewels Trading FZE has pleasure in submitting the statement of financial position as at 31st March 2020 and the related statement of comprehensive income, statement of change in equity and statement of cash flows for the period ended 31st March 2020.

PRINCIPAL ACTIVITY

The principal activity of the entity during the period ended 31st March 2020 was Gold Trading, Import & Export, Jewellery Trading, Pearls & Precious Stones Trading.

FINANCIAL RESULTS:



Shareholders and their interests

The shareholders at 31 March 2020 and their interests as at the date in the share capital of the company were as follow:

NAME	Nationality	Total Share in Capital
M/s Abans Jewels Private Limited	INDIAN	100%

Auditors'

Al Ayoubi Accounting & Auditing were appointed as independent auditor for the year ended 31 March 2020 and it is proposed they are re-appointed for the year ended 31st March 2021.

Director

Date: 3rd June 2020





TO THE SHAREHOLDERS OF
M/s. Abans Gems & Jewels Trading FZE
(Free Zone Company With Limited Liability)
AJMAN - (U.A.E.)

Report on the financial statements

We have audited the accompanying financial statements of Abans Gems & Jewels Trading FZE, AJMAN, UNITED ARAB EMIRATES ("the Company"), which comprise the balance sheet as at 31st March 2020, and the income statement, statement of changes in equity and cash flow statements for the year then ended, and a summary of significant accounting policies and other explanatory notes set out on Pages 3 to 12.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility & Observations

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Abans Gems & Jewels Trading FZE, AJMAN, UNITED ARAB EMIRATES, as at 31st March 2020 and of its financial performance and cash flows for the year then ended 31st March 2020 in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

As required by the Ajman Free Zone regulations, we further confirm that balance sheet and profit and loss account have been properly prepared in according to the regulations and respectively give a true and fair view of the state of the Free Zone entity's affairs as of 31st March 2020 and we have obtained all information and explanation necessary for our audit and the proper books of accounts have been kept by the entity



Al Ayoubi Accounting & Auditing
CHARTERED ACCOUNTANTS
DUBAI

Membership No. 146
Date: 3rd June 2020



ص.ب: ٢٧٦٢٩, دبي - الإمارات العربية المتحدة, هاتف: ٠٤- ٣٣٦٧٢٠٠, فاكس: ٠٤- ٣٣٦٧٣٠٠
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Abans Gems and Jewels Trading FZE
AJMAN - (U.A.E.)

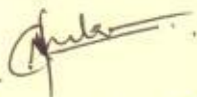
BALANCE SHEET
As at 31st March, 2020

	Notes	31.03.2020	(In US Dollars) 31.03.2019
ASSETS EMPLOYED			
CURRENT ASSETS			
Stock in trade		-	410,321
Accounts receivable and prepayments	4	3,726,967	6,450,655
Cash & bank balances	5	8,690	10,788
Total Current Assets		3,735,657	6,871,764
Total Assets		3,735,657	6,871,764
SHAREHOLDERS' FUNDS AND LIABILITIES			
Shareholders' Funds			
Share capital	6	50,000	50,000
Retained earnings		3,361,433	49,968
Total Shareholders' funds		3,411,433	99,968
Current Liabilities			
Accounts payable and Accruals	7	323,134	6,763,296
Short term Loan	8	-	7,410
Provision	9	1,090	1,090
Total Current Liabilities		324,224	6,771,796
Total Liabilities		324,224	6,771,796
Total Shareholders' Funds and Liabilities		3,735,657	6,871,764

The notes referred to above form an integral part of these financial statements

Abans Gems and Jewels Trading FZE

Director




Abans Gems and Jewels Trading FZE
AJMAN - (U.A.E.)

PROFIT AND LOSS ACCOUNT
For the year then ended 31st March, 2020

	Notes	31.03.2020	(In US Dollars) 31.03.2019
Sales	10	138,870,413	8,495,655
Less: Cost of Sales	11	135,447,317	8,370,547
Gross profit		3,423,096	125,108
Operating expenses			
Administration & Selling	12	111,452	13,960
Total Operating Expenses		111,452	13,960
Finance cost	13	178	61,180
NET PROFIT FOR THE YEAR		3,311,466	49,968

The notes referred to above form an integral part of these financial statements

Abans Gems and Jewels Trading FZE

Director



STATEMENT OF CASH FLOWS

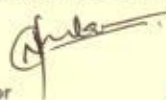
For the year then ended 31st March, 2020

	Notes	31.03.2020	(In US Dollars) 31.03.2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the year		3,311,466	49,968
Adjustment for:			
Finance Cost	13	178	61,180
		3,311,644	111,148
Changes in working Capital			
(Increase)/decrease in stock in trade		410,321	(410,321)
(Increase)/decrease in accounts receivable & prepayments	4	2,723,687	(6,450,655)
Increase/(decrease) in accounts payable & accruals	7	(6,440,162)	6,764,386
Net Cash received from/(used in) operating activities	(A)	5,490	14,558
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Cash (used in) investing activities	(B)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Issue of Equity Share Capital	6	-	50,000
Short term Loan received / (Paid)	8	(7,410)	7,410
Finance Cost	13	(178)	(61,180)
Net Cash received/(used in) from financing activities	(C)	(7,588)	(3,770)
Net Increase/(decrease) in Cash and cash equivalents	(A+B+C)	(2,098)	10,788
Cash and cash equivalents - beginning of the year		10,788	-
Cash and cash equivalents - end of the year	5	8,690	10,788

The notes referred to above form an integral part of these financial statements

Abans Gems and Jewels Trading FZE

Director




Abans Gems and Jewels Trading FZE
AJMAN - (U.A.E.)

STATEMENT OF CHANGES IN EQUITY
For the year then ended 31st March, 2020

	(in US dollars)		
	<u>Share Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance as on 06.11.2017	-	-	-
Profit for the year	-	49,968	49,968
Introduced during the year	50,000	-	50,000
Balance as on 31.03.2018	<u>50,000</u>	<u>49,968</u>	<u>99,968</u>
Profit for the year	-	3,311,466	3,311,466
Introduced during the year	-	-	-
Balance as on 31.03.2019	<u>50,000</u>	<u>3,361,433</u>	<u>3,411,433</u>

Abans Gems and Jewels Trading FZE



Director



SCHEDULE OF NOTES FORMING PART OF THE FINANCIAL STATEMENTS
For the year then ended 31st March, 2020

1. LEGAL STATUS

- 1.1 Abans Gems and Jewels Trading FZE ("the company") is registered and incorporated as a Free Zone e company with limited liability with Ajman Free Zone Authority in the emirate of Ajman, U.A.E. under commercial licence no. 23316. The following are the shareholders contributing to the capital and sharing profits and losses in the given ratios:

Name of the shareholder	Nationality	Share in Capital/Profits
a) M/s Abans Jewels Private Limited	Indian	100%
	Total	100%

- 1.2 The principal activity of the entity during the period ended 31 March 2020 was Gold Trading, Import & Export, Jewellery Trading, Pearls & Precious Stones Trading.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and interpretations issued by the Standards Interpretations Committee of the IASB.

2.2 Basis of measurement

These financial statements have been prepared under the going concern assumption and historical cost convention except in respect of financial instruments, which are presented at fair values and properly disclosed elsewhere in the report.

2.3 Basis of accounting

Income and expenditure have been accounted on accrual basis. Under accrual basis, the transactions and events are recognized as and when they occur and are recorded in the financial statements for the period they relate to.

2.4 Functional and Presentation currency

The financial statements are presented in United States Dollar which is also company functional currency. All financial information presented in USD has been rounded off to the nearest US Dollar.

2.5 Use of estimates & judgements

The preparation of Financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of policies and reported amounts of assets, liabilities, incomes and expenses.

Actual results may differ from these estimate. The estimates and underlying assumptions are reviewed on an ongoing future period affected. During the year, there are no estimates or judgements, or any changes therein, that are material in nature.



3. SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Stock in Trade

Stocks have been verified by the management and valued at the lower of cost calculated on the First-in, First-out basis and net realisable value after making due allowances for obsolete or slow moving items.

3.2 Debtors

Trade receivables are recognized initially at fair value and subsequently measured at cost less provision for doubtful debts. A provision for doubtful debts is established when there is objective evidence that company will not be able to collect all amounts due according to the original term of the trade receivables.

3.3 Accounts Payable and Accruals

Liabilities are recognized for amounts to be paid in future for goods or services received, whether or not billed to the company

3.4 Foreign Currency Conversion

Balances in foreign currencies have been converted into USD at the rate of exchange prevailing at the balance sheet date. Transactions in foreign currencies are converted at rates ruling when the transaction was entered into. Gains or losses resulting from foreign transactions are taken to profit and loss account.

3.5 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services rendered in the ordinary course of the company's activities. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

3.6 Purchases

Purchases are stated net of discounts and return and include all direct expenses to determine the landed cost.

3.7 Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement consists of cash, balances with banks, overdrafts, and deposits with banks with a maturity of three months or less from the date of deposit.

3.8 Impairment of Assets

Financial Assets

At each balance sheet date, the company assesses if there is any objective evidence indicating impairment of financial assets or non-collectability of receivables.

Non-financial Assets

At each balance sheet date, the company assesses if there is any indication of impairment of non-financial assets. If Any indication exists, the company estimates the recoverable amount of the assets and recognizes an impairment loss in Profit & Loss Account. The company assesses if there is any indication that an impairment loss recognized in prior years no longer exists or has reduced. The resultant impairment loss or reversals are recognized immediately in Profit & Loss Account.

3.9 Financial Instruments

Financial Instruments comprise cash, bank balances, advances, trade debtors, amounts due from/to related parties, trade creditors, accruals and borrowings. The financial instruments are recognized on the balance sheet when the company becomes a party to the contractual provisions of the instrument.



NOTES TO THE FINANCIAL STATEMENTS

	31.03.2020	31.03.2019
4. ACCOUNTS RECEIVABLE & PREPAYMENTS		
a) This item consists of the following :		
Trade Debtors - Note 4(b)	3,714,689	6,450,655
Deposits	1,485	-
Prepaid Expenses	10,793	-
Total	<u>3,726,967</u>	<u>6,450,655</u>
b) <u>Trade Debtors</u>		
<u>Ageing of Account receivables :</u>		
Due for less than 6 months	3,714,689	6,450,655
Total - Note 4(b)	<u>3,714,689</u>	<u>6,450,655</u>
5. CASH AND BANK BALANCES		
This item consists of following :		
Cash on hand	14	-
Cash at Banks	8,676	10,788
Total	<u>8,690</u>	<u>10,788</u>
6. SHARE CAPITAL		
This item consists of the following :		
Authorised issued and fully paid up capital comprising of 100 share of AED 1850 each.		
M/s Abans Jewels Private Limited	50,000	50,000
Total	<u>50,000</u>	<u>50,000</u>



NOTES TO THE FINANCIAL STATEMENTS

	<u>31.03.2020</u>	<u>31.03.2019</u>
7. ACCOUNTS PAYABLE AND ACCRUALS		
Trade creditors	321,193	6,762,969
Accrued expenses	1,942	327
Total	<u>323,134</u>	<u>6,763,296</u>
8. Short Term Loan		
Loan taken from Related Party (Refer to 8.1)	-	7,410
Total	<u>-</u>	<u>7,410</u>
8.1 Name		
Abans Middle East DMCC	-	7,410
	<u>-</u>	<u>7,410</u>
9. Provision		
Provision for Expenses	1,090	1,090
Total	<u>1,090</u>	<u>1,090</u>
10. SALES		
Sales	138,870,413	8,495,655
Total	<u>138,870,413</u>	<u>8,495,655</u>
11. COST OF SALES		
This item consists of the following :		
Opening Stock	410,321	-
Purchases (includes direct expenses)	135,036,997	8,780,868
	<u>135,447,317</u>	<u>8,780,868</u>
Less: Closing Stock	-	410,321
Total	<u>135,447,317</u>	<u>8,370,547</u>



NOTES TO THE FINANCIAL STATEMENTS

	31.03.2020	31.03.2019
12. ADMINISTRATION AND SELLING EXPENSES		
This item consists of the following :		
Audit Fees	2,861	1,090
Membership Fees	817	-
Registration Charges	16,128	-
Salary Expenses	89,763	-
Forex Gain & Loss	7	-
Rent Expenses	549	-
Statutory Expenses	204	-
Company formation fees	-	7,410
Trade License Fees	1,046	4,563
Office Expenses	76	897
Total	<u>111,452</u>	<u>13,960</u>
13. Finance Cost		
Bank Charges	178	727
Interest Loan taken from Related Party (Refer Note no. 13.1)	-	60,453
Total	<u>178</u>	<u>61,180</u>
13.1 Name		
Abans Jewels Private Limited	-	60,453
	-	<u>60,453</u>



NOTES TO THE FINANCIAL STATEMENTS

14 FINANCIAL INSTRUMENTS

Currency risk risks

The Company is exposed to foreign currency risk arising from future commercial transactions and recognised assets and liabilities that are denominated in a currency other than the functional currency of the Company. The Company is not exposed to currency risk as all of its assets, liabilities and income statement transactions are mainly denominated in USD.

Credit risks

Financial assets which potentially subject the company to concentration of credit risk comprise principally cash and bank balances, trade debtors investments.

Bank balances are with regulated financial institutions. Credit risk of trade debtors is stated in Note 4.

Interest rate risks

Interest rate risk is the risk of variability of profit due to changes in interest rates on interest bearing assets and interest bearing liabilities. The company does not have any interest bearing assets or liabilities as at the reporting date.

Fair Value

At the balance sheet date, the carrying amount of debtors and creditors approximated their fair values.

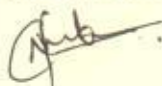
15. COMMITMENTS

There were no significant commitments, of capital nature or otherwise as on the date of these financial statements.

16. COMPARATIVE FIGURES

Comparative figures have been regrouped/reclassified wherever necessary to conform to current year's classification and have been stated from financials audited by another auditor. Last year financial figures are for 17 months ended whereas current year figures are for 12 months ended. Hence both figures are not comparable.

Abans Gems and Jewels Trading FZE



Director



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