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**BARBEQUE NATION
INTERNATIONAL L.L.C. - OMAN
FINANCIAL STATEMENTS
31 MARCH 2019**

H. C. Shah



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Date: 19 May 2019

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN which comprise the statement of financial position as at 31 MARCH 2019 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 2 to 10.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 MARCH 2019, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

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), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of the Management

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and the disclosure requirements of the Oman Companies Law 1974, as amended, 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.

Auditor's responsibility

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.

H. C. SHAH
CHARTERED ACCOUNTANTS



BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2019

	NOTE	31-03-2019 R.O.
ASSETS		
Non Current Assets		
Capital Work-in-Progress		276,325
Pre-Operative Expenses		<u>2,239</u>
		<u>278,564</u>
Current Assets		
Due from Member		76,500
Accounts Receivable	3.	86,419
Bank Balances and Cash	4.	<u>1,658</u>
		<u>164,577</u>
TOTAL ASSETS	R.O.	443,141
EQUITY AND LIABILITIES		
Members' Equity		
Share Capital	5.	150,000
Retained Earnings		(6,664)
Members' Accounts		<u>188,170</u>
		<u>331,506</u>
NON CURRENT LIABILITIES		
Staff Terminal Benefits		<u>--</u>
		<u>0</u>
Current Liabilities		
Accounts Payable and Provisions	6.	<u>111,635</u>
		<u>111,635</u>
TOTAL EQUITY AND LIABILITIES	R.O.	443,141

The notes on pages 6 to 10 form part of these financial statements

Auditor:

Authorised Signatory:

BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2019**

	NOTE	18-02-2018 TO 31-03-2019 R.O.
Revenue		--
Cost of Turnover		--
Gross Profit		-
Administrative & General Expenses	9.	(6,664)
Profit before Depreciation		(6,664)
Depreciation		-----
Net (Loss) / Profit for the Period	R.O.	(6,664)
		=====

The notes on pages 6 to 10 form part of these financial statements


Auditor:


Authorised Signatory:

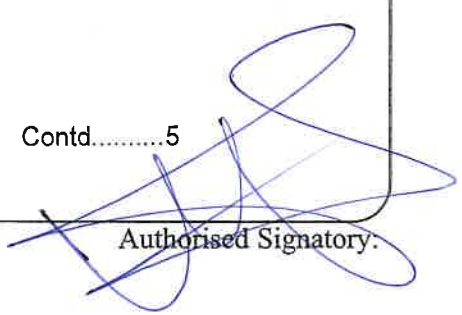
BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019**

	Share Capital R.O.	Retained Earnings R.O.	Members' Current A/cs R.O.	Total R.O.
Period to 31 March 2019				
Capital Introduced	150,000	--		150,000
Net Movement in Current A/cs			188,170	188,170
Net Profit for the year	--	(6,664)	--	(6,664)
	-----	-----	-----	-----
At 31 March 2019 R.O.	150,000	(6,664)	188,170	331,506
	=====	=====	=====	=====



Auditor:

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 Authorised Signatory.

BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2019**

		31-03-2019 R.O.
1. Cash Flow from Operating Activities		
a) Net (Loss) for the period		(6,664)
Add: Non - Cash charges - Depreciation		0
Operating (Loss) / Profit before changes in Working Capital		<u>(6,664)</u>
b) Changes in Working Capital		
Decrease / (Increase) in Accounts Receivable		(86,419)
Increase / (Decrease) in Accounts Payable		111,635
Due from Member		(76,500)
Net Changes in Working Capital		<u>(51,284)</u>
Net Cash Flow (used in) / from Operating Activities (A)	1a - 1b	<u>(57,948)</u>
2. Cash Flow from Investing Activities		
a) Capital Work-in-Progress		(276,325)
b) Pre-operative Expenses		(2,239)
Net Cash (used in) / from Investing Activities (B)	2a	<u>(278,564)</u>
3. Cash Flow from Financing Activities		
a) Share Capital Introduced		150,000
b) Members' Current Account		188,170
Net Cash (used in) / from Financing Activities (C)	3a - 3b	<u>338,170</u>
Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)		1,658
Cash and Cash equivalents at the beginning of the period		--
Cash and Cash equivalents at the end of the period		<u>1,658</u>
		=====
COMPRISING OF:		
1. Bank Balances		1,658

		R.O. 1,658
		=====

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Auditor:


 Authorised Signatory:

BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019****1. LEGAL STATUS AND ACTIVITIES:**

Barbeque Nation International LLC. is a Limited Liability Company with CR NO.1313912 registered under the Commercial Law of the Sultanate of Oman on 18 February 2018. The company is engaged in the Resaurant business. As on 31 March 2019, the company is yet to start the commerical operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to each of the years presented in the financial statements, unless otherwise stated.

2.1 BASIS OF PREPARATION:

- a. These financial statements are prepared on the historical cost convention and in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Oman Commercial Companies Law 1974, as amended. The financial statements have been presented in Omani Rial ("R.O.").
- b. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The areas where accounting assumptions and estimates are significant to the financial statements are disclosed in the accounting policies and notes to the financial statements.
- c. *Standards and Amendments effective in 2018 and relevant for the company's operation :*
For the year ended 31 march 2019, the company has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for the periods beginning on 1 January 2018.
- d. *Standards, Amendments and Interpretations to existing standards that are not yet effective and have not been early adopted by the company :*
The following Standards, Amendments & Interpretations to the existing Standards have been published and are mandatory for the companies accounting period beginning on or after 01 January 2019 or later periods, but the company has not early adopted them and the impact of these standards and interpretations can not be reasonably estimated as at 31 March 2019.

IFRS 16 Leases (effective on or after 1 January 2019).

IFRS 17 - Insurance Contracts (effective on or after 1 January 2021)

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BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019****2.2 IFRS ADOPTED AND CHANGES IN ACCOUNTING POLICIES****IFRS 9: FINANCIAL INSTRUMENTS**

The International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard IFRS 9: 'Financial Instruments' effective for annual periods beginning on or after 1 January 2018, which replaced the existing International Accounting Standard 39 'Financial Instruments: Recognition and Measurement'.

The requirements of IFRS 9 represent a significant change from IAS 39 Financial Instruments: Recognition and Measurement. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities. The key changes to the Company's accounting policies resulting from its adoption of IFRS 9 are summarised below:

Classification of financial assets

To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. The IAS 39 measurement categories of financial assets (fair value through profit or loss (FVTPL), available for sale (AFS), held-to-maturity and amortised cost have been replaced by:

Financial assets carried at amortised cost;

Financial assets carried at fair value through other comprehensive income (FVOCI); and

Financial assets carried at fair value through profit or loss (FVTPL)

Impairment of financial assets

The adoption of IFRS 9 has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Company to record an allowance for ECLs for all debt financial assets not held at FVTPL. The Company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience as adjusted for forward-looking factors.

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.

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company may consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

Transition

The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies.

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BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)****IFRS 15: REVENUE FROM CONTRACTS WITH CUSTOMERS**

IFRS 15 outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue guidance, which is found currently across several Standards and Interpretations within IFRS. It established a new five-step model that will apply to 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 for transferring goods or services to a customer.

The key changes to the Company's accounting policies resulting from its adoption of IFRS 15 are summarised below:

Income from operations

Income from operations represents sale of goods in normal course of business and is recognised at a point in time when the performance obligation is satisfied and is based on the amount of the transaction price that is allocated to the performance obligation. 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 the customer.

The consideration expected by the Company may include fixed or variable amounts which can be impacted by sales returns, trade discounts and volume rebates. Income from operations is recognized when control of the asset is transferred to the buyer and only when it is highly probable that a significant reversal of revenue will not occur when uncertainties related to a variable consideration are resolved.

Transfer of control varies depending on the individual terms of the contract of sale. Revenue from transactions that have distinct goods or services are accounted for separately based on their stand-alone selling prices. A variable consideration is recognised to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

For products for which a right of return exists during a defined period, revenue recognition is determined based on the historical pattern of actual returns, or in cases where such information is not available, revenue recognition is postponed until the return period has lapsed.

Transition

The Company's adoption of IFRS 15 under modified retrospective method had no impact on the financial statements of the Company.

2.3 CAPITAL WORK-IN-PROGRESS:

Capital work-in-progress is carried at cost, less any recognised impairment losses, if any. When commissioned, capital work-in-progress is transferred to the appropriate categories of property, plant and equipment and depreciated in accordance with depreciation policies

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BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)****2.4 ACCOUNTS PAYABLE AND PROVISIONS:**

Liabilities are recognised for amounts to be paid for goods and services rendered during the year ended 31 March 2019, whether or not billed to the company.

Provisions are recognised when the company has an obligation arising from past events, and the cost to settle the obligation are both probable and able to be reliably measured.

2.5 FAIR VALUE OF FINANCIAL INSTRUMENTS:

Financial instruments comprise of financial assets and liabilities. Financial assets consist of bank balances related party dues and receivables. Financial liabilities consist of payables. The fair value of financial instruments is not significantly different from their carrying values.

2.6 LEASES:

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are operating leases. Operating lease payments are recognized as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

2.7 FOREIGN CURRENCY:

Foreign currency transactions are translated into Rials Omani at the exchange rates prevailing on the transaction date. Foreign currency assets and liabilities are translated into Rials Omani at the exchange rates prevailing at the statement of financial position date. Differences on exchange are dealt with in the statement of comprehensive income as they arise.

2.8 RISK MANAGEMENT:

The Company has exposure to credit risk, liquidity risk and market risk in its normal course of business.

- a. Credit risk: Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial contract fails to meet the contractual obligations. The exposure to credit risk is monitored on an ongoing basis by the management and these amounts are considered recoverable by the Company's management.
- b. Liquidity risk: Liquidity risk is the risk that the Company can default in meeting the obligations associated with its financial liabilities. The Company assures that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.
- c. Market risk: Market risk is the risk that changes in market prices, such as foreign currency rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

2.9 PREVIOUS YEARS'S FIGURES:

Previous period's figures have not been incorporated as it is the first financial period of the company.

BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)**

		31-03-2019
		R.O.
3. ACCOUNTS RECEIVABLE		
Deposits		19,000
Staff Advances		25
Advance to Vendors		<u>67,394</u>
	R.O.	<u>86,419</u>
4. BANK BALANCES AND CASH		
Current Accounts		<u>1,658</u>
	R.O.	<u>1,658</u>
5. SHARE CAPITAL		
The Company's Registered Share Capital comprises of 150,000 Ordinary Shares of R.O. 1/- each. The shareholders at 31 March 2019 are as follows:		
Name of the Shareholders	Holding %	
Greenland Development Trading	51	76,500
Barbeque Nation Mena Holdings Ltd.	49	<u>73,500</u>
	R.O.	<u>150,000</u>
6. ACCOUNTS PAYABLE AND PROVISIONS		
Sundry Creditors for Purchases		110,494
Accrued Expenses		<u>1,141</u>
	R.O.	<u>111,635</u>
9. ADMINISTRATIVE AND GENERAL EXPENSES		
Rent		5,000
Travelling & Conveyance		540
Legal & Professional Fees		400
Establishment Expenses		315
Bank & Finance Charges		12
Miscellaneous Expenses		<u>397</u>
	R.O.	<u>6,664</u>