

Company Registration No. 11276993 (England and Wales)

**INVENTIA TRADING GROUP LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 JULY 2019**



# INVENTIA TRADING GROUP LTD

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# INVENTIA TRADING GROUP LTD

## COMPANY INFORMATION

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<b>Director</b>	Mr Naomaan Khan	(Appointed 17 March 2020)
<b>Company number</b>	11276993	
<b>Registered office</b>	27 Old Gloucester Street London WC1N 3AX	
<b>Auditor</b>	King & King Chartered Accountants & Statutory Auditors First Floor Roxburghe House 273-287 Regent Street London W1B 2HA	

# **INVENTIA TRADING GROUP LTD**

## **STRATEGIC REPORT**

### **FOR THE PERIOD ENDED 31 JULY 2019**

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The director presents the strategic report for the company's first accounting period ended 31 July 2019.

#### **Fair review of the business**

The board of directors are satisfied with the performance of the company in the first financial period ended 31 July 2019 and considers it a successful year.

The company made a net profit after tax of \$75,625 in the first year of operation.

The company's principal activity during the current year is trading of metal and metal ores.

#### **Material Risk and Uncertainties**

All businesses are subject to risks and many individual risks are macro-economic or social and common across many businesses. The key risks are those which could materially damage the company's strategy, reputation, business, profitability or assets. The principal financial risks to which the company is exposed are those of liquidity, market condition, credit, cash flow and foreign currency. Each of these risks is managed in accordance with board approved policies which are set out below. This list is in no particular order and is not an exhaustive list of all potential risks. Some risks may be unknown and it may transpire that others currently considered immaterial become material.

#### **Liquidity Risk:**

The company manages liquidity risk by maintaining access to documentary agreements which are expected to be sufficient to meet short term funding requirement. The directors review the company's on-going liquidity risks regularly and constantly keep a tab on debtors receivable and creditors payable.

#### **Economic, market and price risk:**

The company's performance is directly impacted by the economic environment. The company operates in a highly competitive market and price competition can adversely affect the company's result. The company endeavour to manage price risk by placing purchase order with supplier only after some degree of assurance is achieved for the sale of the goods being ordered.

#### **Credit Risk:**

The company is at risk of exposure to financial losses should a counter party fail to meet its obligations under documentary agreements as and when they fall due. The credit risk is managed by setting credit limits as deemed appropriate for each customer.

#### **Cash flow Risk:**

The company is reliant on timely settlement from customers to manage its cash flow. The directors closely monitor the settlement position.

#### **Foreign currency Risk:**

The company has transactional currency exposures arising from sales and purchases in foreign currencies. The company manages this risk by matching sales and purchases with the same currency, whenever possible. In order to avoid exchange fluctuation distorting the financial results of the company it reports its financial statements in US Dollar which is its main trading currency.

#### **Going concern**

The directors, having reviewed the accounts and after making appropriate enquiries, consider that the company has adequate resources to continue in the operational existence for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the financial statements.

# INVENTIA TRADING GROUP LTD

## STRATEGIC REPORT (CONTINUED)

**FOR THE PERIOD ENDED 31 JULY 2019**

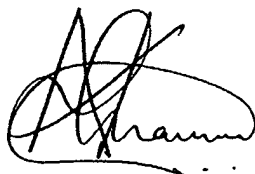
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### Other performance indicators

The company uses the following Key Performance Indicators to ensure it has the ability to successfully grow the business in the long term :

Revenue:	\$210,306,055
Trade debtors days:	43 days
Trade creditors days:	31 days
Current ratio:	1.38

On behalf of the board



Mr Naomaan Khan  
Director  
28 September 2020

# INVENTIA TRADING GROUP LTD

## DIRECTOR'S REPORT

### FOR THE PERIOD ENDED 31 JULY 2019

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The director presents his annual report and financial statements for the company's first accounting period ended 31 July 2019.

#### Director

The director who held office during the Period and up to the date of signature of the financial statements was as follows:

Mr T Montague-Moore

(Appointed 2 September 2019 and resigned 20 March 2020)

Mr K Khan

(Appointed 27 March 2018 and resigned 30 March 2020)

Mr Naomaan Khan

(Appointed 17 March 2020)

#### Results and dividends

The results for the Period are set out on page 9.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

#### Post reporting date events

Particulars of events after the reporting date are detailed in note 10 to the financial statements

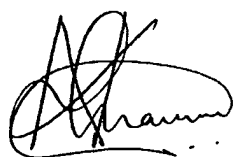
#### Auditor

King & King were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Mr Naomaan Khan

Director

28 September 2020

# **INVENTIA TRADING GROUP LTD**

## **DIRECTOR'S RESPONSIBILITIES STATEMENT**

***FOR THE PERIOD ENDED 31 JULY 2019***

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The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# INVENTIA TRADING GROUP LTD

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF INVENTIA TRADING GROUP LTD

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#### Opinion

We have audited the financial statements of Inventia Trading Group Ltd (the 'company') for the accounting period ended 31 July 2019 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2019 and of its profit for the Period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter

We draw attention to note 10 on the financial statements which describes the company's assessment of the COVID-19 impact on its ability to continue as a going concern. Our opinion is not modified in this respect.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For examples, the terms on which the United Kingdom may withdraw from the European Union are not clear, the wider economic impact of COVID -19 and its affect on the company's business can not be sufficiently assessed. Hence, it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.



# **INVENTIA TRADING GROUP LTD**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF INVENTIA TRADING GROUP LTD**

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#### **Other information**

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the director's report for the financial Period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the director's report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of director**

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director 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, the director 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 the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

# INVENTIA TRADING GROUP LTD

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF INVENTIA TRADING GROUP LTD

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#### **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 (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to him in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Milankumar H Patel (Senior Statutory Auditor)  
for and on behalf of King & King  
Chartered Accountants  
Statutory Auditor  
First Floor Roxburghe House  
273-287 Regent Street  
London  
W1B 2HA

28 September 2020

# INVENTIA TRADING GROUP LTD

## PROFIT AND LOSS ACCOUNT

**FOR THE PERIOD ENDED 31 JULY 2019**

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	Notes	Period ended 31 July 2019 \$
<b>Turnover</b>	<b>3</b>	210,306,055
Cost of sales		(210,149,521)
		<hr/>
<b>Gross profit</b>		156,534
Administrative expenses		(65,671)
		<hr/>
<b>Operating profit</b>	<b>4</b>	90,863
Profit/(loss) on disposal of investments		2,501
		<hr/>
<b>Profit before taxation</b>		93,364
Tax on profit	<b>5</b>	(17,739)
		<hr/>
<b>Profit for the financial Period</b>		<u>75,625</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# INVENTIA TRADING GROUP LTD

## STATEMENT OF COMPREHENSIVE INCOME

*FOR THE PERIOD ENDED 31 JULY 2019*

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	Period ended 31 July 2019 \$
Profit for the Period	75,625
Other comprehensive income	-
Total comprehensive income for the Period	<u>75,625</u>

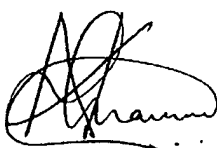
# INVENTIA TRADING GROUP LTD

## BALANCE SHEET

AS AT 31 JULY 2019

	Notes	2019 \$	\$
<b>Current assets</b>			
Debtors	6	18,283,478	
Cash at bank and in hand		12,217	
		<u>18,295,695</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(13,220,069)</u>	
<b>Net current assets</b>			<u>5,075,626</u>
<b>Capital and reserves</b>			
Called up share capital	9	5,000,001	
Profit and loss reserves		75,625	
		<u>5,075,626</u>	
<b>Total equity</b>			<u>5,075,626</u>

The financial statements were approved by the board of directors and authorised for issue on 28 September 2020 and are signed on its behalf by:



Mr Naomaan Khan  
Director

Company Registration No. 11276993

# INVENTIA TRADING GROUP LTD

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 JULY 2019

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	Notes	Share capital \$	Profit and loss reserves \$	Total \$
<b>Period ended 31 July 2019:</b>				
Profit and total comprehensive income for the period		-	75,625	75,625
Issue of share capital	9	5,000,001	-	5,000,001
		<u>5,000,001</u>	<u>75,625</u>	<u>5,075,626</u>
<b>Balance at 31 July 2019</b>		<u>5,000,001</u>	<u>75,625</u>	<u>5,075,626</u>

# INVENTIA TRADING GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 JULY 2019

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#### 1 Accounting policies

##### Company information

Inventia Trading Group Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 27 Old Gloucester Street, London, WC1N 3AX.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in US Dollars, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest USD.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of FirstTrade Commodities Limited. These consolidated financial statements are available from its registered office, Flat E 8/F Far East Mansion, 5-6 Middle Road Tst Kln, Hong Kong.

##### 1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Reporting period

These financial statements are for the company's first accounting period since incorporation on 27 March 2018 and ending on 31 July 2019, hence comparatives are not available.

# INVENTIA TRADING GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2019

### 1 Accounting policies

(Continued)

#### 1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.



# INVENTIA TRADING GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2019

### 1 Accounting policies

(Continued)

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

# INVENTIA TRADING GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2019

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

### 1.9 Foreign exchange

Transactions in currencies other than US Dollars are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Turnover and other revenue

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# INVENTIA TRADING GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2019

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<b>3</b>	<b>Turnover and other revenue</b>	<b>(Continued)</b>
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**2019**

**\$**

**Turnover analysed by geographical market**

Hong Kong

33,504,033

Singapore

102,196,612

U.A.E.

74,605,410

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210,306,055

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<b>4</b>	<b>Operating profit</b>	
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**2019**

**\$**

Operating profit for the period is stated after charging:

Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss

804

Fees payable to the company's auditor for the audit of the company's financial statements

14,660

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<b>5</b>	<b>Taxation</b>	
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**2019**

**\$**

**Current tax**

UK corporation tax on profits for the current period

17,739

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The actual charge for the Period can be reconciled to the expected charge/(credit) for the Period based on the profit or loss and the standard rate of tax as follows:

**2019**

**\$**

Profit before taxation

93,364

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Expected tax charge based on the standard rate of corporation tax in the UK of 19.00%

17,739

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Taxation charge in the financial statements

17,739

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# INVENTIA TRADING GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2019

### 6 Debtors

	2019
<b>Amounts falling due within one year:</b>	<b>\$</b>
Trade debtors	18,280,977
Other debtors	2,501
	<u>18,283,478</u>

### 7 Current asset investments

During the year, the company purchased 100% shares of SIMEC GHR Lochaber Limited with a view to resale. The investment was sold during the year making a profit of \$2,501.

#### Current asset investment- Movement

	\$
Addition during the year	4,435,759
Disposals during the year	4,435,759
Balance at year end	Nil

### 8 Creditors: amounts falling due within one year

	2019
	<b>\$</b>
Trade creditors	13,187,670
Corporation tax	17,739
Accruals and deferred income	14,660
	<u>13,220,069</u>

### 9 Share capital

	2019
	<b>\$</b>
<b>Ordinary share capital</b>	
<b>Issued and fully paid</b>	
3,924,956 ordinary shares of £1 each	<u>5,000,001</u>

# INVENTIA TRADING GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 JULY 2019

#### 10 Events after the reporting date

##### Resignation and appointment of director

Mr. Naomaan Khan was appointed as a new director of the company on 17.03.2020. Mr. Kashif Khan resigned as director of the company on 30.03.2020.

##### Impact of COVID-19

On 11 March 2020, the World Health Organization declared the Corona-Virus (COVID-19) outbreak to be a pandemic in recognition of its rapid spread across the globe, with over 200 countries now affected. Many governments are taking increasingly stringent steps to help contain or delay the spread of the virus. Currently, there is significant increase in economic uncertainty which is, for example, evidenced by more volatile asset prices and currency exchange rates.

For the company's 31 July 2019 financial statements, the COVID-19 outbreak and the related impacts are considered non-adjusting events. Consequently, there is no impact on the recognition and measurement of assets and liabilities. Due to the uncertainty of the outcome of the current events, the company cannot reasonably estimate the impact these events will have on the company's financial position, results of operations or cash flows in the future.

##### Impact of Brexit

The UK is due to leave the European Union ('EU') on 31 January 2020. There will then be a transitional period, due to run to 31 December 2020, during which the UK will no longer be a member of the EU but will still be subject to EU rules and remain a member of the Customs Union. During the transition period, the UK and EU will negotiate the rules to be applied to our future trading and other relationships. The UK can request, and the EU will grant, an extension to the transition period of up to another two years (so long as this is done by 30 June 2020) if it appears that negotiations are taking longer than expected. Ultimately, a no-trade deal Brexit remains a possible outcome.

The directors are considering how this new political landscape will impact their business. Irrespective of the outcome of negotiations during the transition period, whether that concludes with or without a trade deal, management do not expect that this will impact their present operations.

#### 11 Directors' transactions

Description	% Rate	Opening balance \$	Amounts advanced \$	Amounts repaid \$	Closing balance \$
Advances	-	-	4,950,002	(4,950,002)	-
		-	4,950,002	(4,950,002)	-

#### 12 Ultimate controlling party

FirstTrade Commodities Limited, a company registered in Hong Kong is the immediate parent company.

On 17th August 2020, Mr. K Khan sold his 100% shareholdings in First Trade Commodities Limited, parent company incorporated in Hong Kong, to Mr N Khan, henceforth Mr N Khan became the ultimate controlling party.