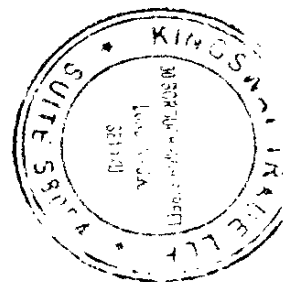
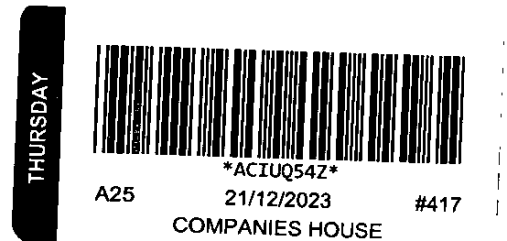


**KINGSWAY TRADE LLP  
LONDON, UNITED KINGDOM  
Registration No. OC320889**

**Financial Statements and Reports  
31st July, 2020**



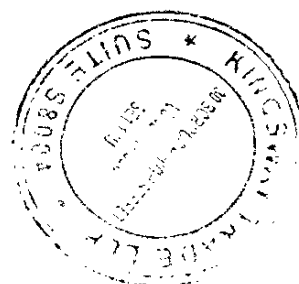
**Country of Registration:**  
United Kingdom

**Office:**  
30, Borough High Street,  
London, United Kingdom

**KINGSWAY TRADE LLP  
LONDON, UNITED KINGDOM**

**Financial Statements and Reports  
31st July, 2020**

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## KINGSWAY TRADE LLP

### MEMBERS' REPORT

The Members report submit their report and accounts for the year ended 31st July, 2020. We approve the financial statements and confirm that we are responsible for these, 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.

#### Result and dividends

	<u>31.07.2020</u>	<u>31.07.2019</u>
	<u>USD</u>	<u>USD</u>
Net (loss)	(72,873)	(76,121)

#### Review of the business

The Limited Liability Partnership is engaged in the activity of trading in general commodities on a wholesale basis.

The company would like to report that no commercial transactions have occurred during the year. As a result, there have been no material financial activities or events to disclose in these financial statements.

All bank balances are held with FBME Bank, Cyprus Branch. It is important to note that FBME Bank Cyprus LTD had its banking license suspended in July 2014. As a result, the Central Bank of Cyprus took control of FBME's Cyprus branch, and depositors' accounts were frozen, preventing them from accessing their funds.

However, as of June 29, 2023, following a court decision in Nicosia, Cyprus:

1) The FBME Bank Cyprus LTD branch is now under liquidation, based on an agreement between the Central Bank of Cyprus and the Deposit Guarantee Board of the United Republic of Tanzania, which became a court ruling.

2) An independent liquidator has been appointed for the FBME Bank Ltd branch in Cyprus as per the same agreement.

Depositors are advised to file a claim with the appointed liquidator, providing specific details about their frozen funds to initiate the process of recovering their blocked amounts.

#### Events since the end of the year

There are no significant events since the end of the reporting date.

#### Capital

The authorized, issued and paid up capital of the company is USD 100/-

#### Shareholders and their interests

The shareholders and their interest in the share capital of the Company as at 31st July, 2020 were as follows:

<u>Name</u>	<u>% of Holding</u>	<u>No. of Shares*</u>	<u>Amount USD</u>
1- Ms. Zulfia Musarova	1%	1	1
2- M/s. Royle Developments Limited	99%	99	99
	<u>100%</u>	<u>100</u>	<u>100</u>

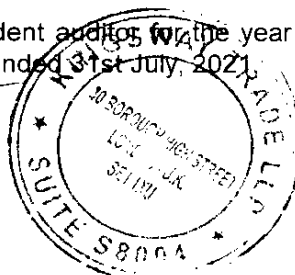
\*face value USD 1 each

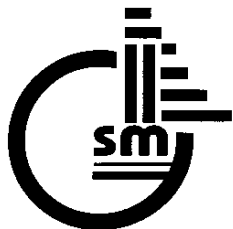
#### Independent Auditor

M/s. GSM Auditors were appointed as independent auditors for the year ended 31st July, 2020 and it is proposed that they be re-appointed for the year ended 31st July, 2021.

Director

October 26, 2023





# جي اس ام لتدقيق الحسابات G S M Auditors

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

### KINGSWAY TRADE LLP

#### Opinion

We have audited the accompanying financial statements of KINGSWAY TRADE LLP, which comprise the statement of financial position as on 31st July, 2020, and the statements of comprehensive income, cash flows and changes in equity for the year ended 31st July, 2020, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements present fairly in all material respects, the financial position of the company as of 31st July, 2020 and its financial performance and cash flows for the year ended 31st July, 2020, in accordance with International Financial Reporting Standards.

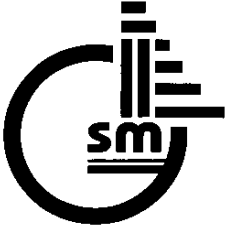
#### Basis for opinion

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

#### Responsibilities of management and those charged with governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and its preparation in compliance with the applicable provisions of the UAE Federal Law No. (32) of 2021 Concerning Commercial Companies, the Memorandum and Articles of Association of the Company 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.





# جي اس ام لتدقيق الحسابات G S M Auditors

## Auditors' Report (continued)

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

Management and those charged with governance are responsible for overseeing the Company's financial reporting process.

## Auditor's responsibilities for the audit of the financial statements

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the 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 & principles used and 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 audit opinion.

## Report on other legal and regulatory requirements

As required by the UAE Federal Decree Law No. (32) of 2021 regarding Commercial Companies and the Articles of Association of the Company.

We have obtained all the information and explanations necessary for our audit.

We are not aware of any contraventions during the year, of the above mentioned law or the Company's Articles of Association; which may have materially effected the financial position of the Company, or the result of its operations during the year.

For, GSM Auditors

Managing Partner

Reg. No. 402

Date: 27th October, 2023  
Al Sayed Ibrahim Al Sayed Ali Al Moosawi



# KINGSWAY TRADE LLP

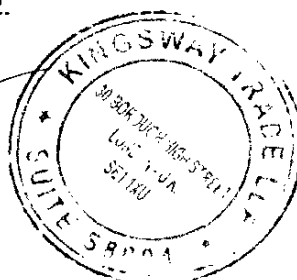
## Statement of financial position As on 31st July, 2020

	Notes	31.07.2020 USD	31.07.2019 USD
<b>Current Assets</b>			
Cash and cash equivalents	6	4,785,973	4,785,811
		<u>4,785,973</u>	<u>4,785,811</u>
<b>Total Assets</b>		<u>4,785,973</u>	<u>4,785,811</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	7	100	100
Retained earnings		7,160,646	7,233,519
		<u>7,160,746</u>	<u>7,233,619</u>
Shareholders' current account	8	(2,379,981)	(2,451,916)
<b>Total Shareholders' funds</b>		<u>4,780,765</u>	<u>4,781,703</u>
<b>Non Current Liabilities</b>		-	-
		<u>-</u>	<u>-</u>
<b>Current Liabilities</b>			
Trade & other payables	9	5,208	4,108
		<u>5,208</u>	<u>4,108</u>
<b>Total Equities and Liabilities</b>		<u>4,785,973</u>	<u>4,785,811</u>

The accompanying notes form an integral part of these financial statements. The report of the independent auditor is set forth on page 1 - 2.

For KINGSWAY TRADE LLP

Zulfia Musarova  
Director



# KINGSWAY TRADE LLP

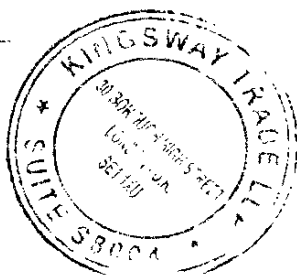
## Statement of profit or loss and other comprehensive income For the year ended 31st July, 2020

	Notes	Year ended 31.07.2020 USD	Year ended 31.07.2019 USD
<b>Operating Expenses</b>			
Staff salaries and benefits	10	(31,200)	(30,000)
Utilities	11	(1,656)	(1,488)
Administrative expenses	12	(40,017)	(44,633)
<b>(Loss) for the year</b>		<b>(72,873)</b>	<b>(76,121)</b>
<b>TOTAL COMPREHENSIVE (LOSS) FOR THE YEAR</b>		<b>(72,873)</b>	<b>(76,121)</b>

The accompanying notes form an integral part of these financial statements. The report of the independent auditor is set forth on page 1 - 2.

For KINGSWAY TRADE LLP

*Zulfia Musarova*  
Director

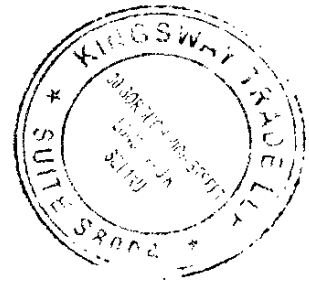


# KINGSWAY TRADE LLP

## Statement of changes in equity For the year ended 31st July, 2020

	Share Capital USD	Accumulated Profits USD	Current Account USD	Total USD
<b>Balance as at 31.07.2018</b>	<b>100</b>	<b>7,309,640</b>	<b>(2,526,802)</b>	<b>4,782,938</b>
(Loss) for the year	-	(76,121)	-	(76,121)
Net movement during the year	-	-	74,886	74,886
<b>Balance as at 31.07.2019</b>	<b>100</b>	<b>7,233,519</b>	<b>(2,451,916)</b>	<b>4,781,703</b>
(Loss) for the year	-	(72,873)	-	(72,873)
Net movement during the year	-	-	71,935	71,935
<b>Balance as at 31.07.2020</b>	<b>100</b>	<b>7,160,646</b>	<b>(2,379,981)</b>	<b>4,780,765</b>

The accompanying notes form an integral part of these financial statements. The report of the independent auditor is set forth on page 1 - 2.





# KINGSWAY TRADE LLP

## Statement of cash flows

For the year ended 31st July, 2020

### Cash flows from operating activities

(Loss) for the year

31.07.2020

USD

31.07.2019

USD

(72,873)

(76,121)

(72,873)

(76,121)

Increase / (decrease) in trade and other payables

1,100

1,100

### Net cash from operating activities

(71,773)

(75,021)

### Cash from investing activities

Net cash (used in) investing activities

-

-

-

-

### Cash from financing activities

Net movement in shareholders' current account

71,935

74,886

Net cash (used in ) / from financing activities

71,935

74,886

### Net (decrease) / increase in cash and cash equivalents

162

(135)

Cash and cash equivalents - Beginning of the year

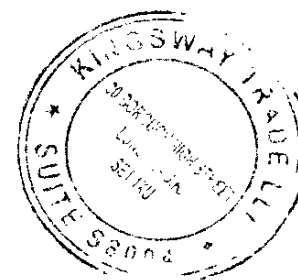
4,785,811

4,785,946

Cash and cash equivalents - End of the year

4,785,973

4,785,811



## KINGSWAY TRADE LLP

### Notes to the financial statements For the year ended 31st July, 2020

#### 1 Legal Status

KINGSWAY TRADE LLP is a Limited Liability Partnership registered under the Registrar of Companies for England and Wales, London, United Kingdom, (License No. OC320889) on dated 11th July, 2006.

The registered address of the Limited Liability Partnership is 30, Borough High Street,, London, United Kingdom

The Limited Liability Partnership is controlled and managed by Ms. Zulfia Musarova, a Kyrgyz national.

As per Form No. LL TM01 submitted to Companies House on 14 November 2017, Mr. Adil Huseynov resigned from the company with effect from 26 October 2017 and Ms. Zulfia Musarova was appointed as the member of the company on the same date as per Form No. LL AP01 submitted to Companies House on 14 November 2017

No commercial transactions have occurred during the year. As a result, there have been no material financial activities or events to disclose in these financial statements.

As on reporting date, the shareholders of the Limited Liability Partnership and their Shares in the capital are as follows.

<u>Name of the Shareholders</u>	<u>Nationality</u>	<u>No. of. Shares *</u>	<u>Amount USD</u>
1- Ms. Zulfia Musarova	Kyrgyz	1	1
2- M/s. Royle Developments Limited	UK	99	99
	<b>Total</b>	<b>100</b>	<b>100</b>

\*face value USD 1 each

#### 2 Business Activity

The Limited Liability Partnership is engaged in the activity of trading in general commodities on a wholesale basis.

#### 3 Principal Accounting Policies

This table lists the recent changes to IFRS that are required to be adopted in annual periods beginning on January 1, 2018 but no material effect to the company's operations:

##### Effective date

January 1, 2018

##### New standards or amendments

- IFRS 15 Revenue from Contracts with Customers
- IFRS 9 Financial Instruments
- Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)
- Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)
- Transfers of Investment Property (Amendments to IAS 40)
- Annual Improvements to IFRSs 2014-2016 Cycle (Amendments to IFRS 1 and IAS 28)
- IFRIC 22 Foreign Currency Transactions and Advance Consideration

Impact of initial application of new and revised International Financial Reporting Standards (IFRSs)

The company had to change its accounting policies following the adoption of IFRS 9 and IFRS 15, as applicable, as discussed below. Most of the other amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

##### **i IFRS 9 Financial Instruments**

The company has adopted IFRS 9 Financial Instruments with a date of initial application of January 1, 2018. The requirements of IFRS 9 represents a significant change from IAS 39 Financial Instruments:

The company had implemented IFRS 9 on January 1, 2018. The standard has been applied retrospectively and, in line with IFRS 9, comparative amounts have not been restated, and there was no impact of the adoption of IFRS 9 on the retained earnings. The standard eliminates the use of the IAS 39 incurred loss impairment model approach and the revised guidance on the classification and measurement requirements.

## **KINGSWAY TRADE LLP**

### **Notes to the financial statements**

**For the year ended 31st July, 2020**

#### **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.

#### **Classification and measurement**

The new standard 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 has been replaced by: fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI), and amortized cost.

IFRS 9 also allow entities to continue to irrevocably designate instruments that qualify for amortized cost or fair value through OCI instruments as FVTPL, if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Equity instruments that are not held for trading may be irrevocably designated as FVOCI, with no subsequent reclassification of gains or losses to the income statement.

#### **Impairment**

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 instruments measured at amortization cost.

For all debt instruments, the company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. This amendment did not have any impact on the company's financial statements.

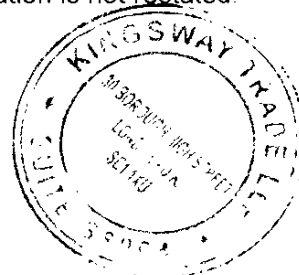
#### **ii IFRS 15 Revenue from Contracts with Customers**

In the current year, the company has applied IFRS 15 Revenue from Contracts with Customers which is effective for an annual period that begins on or after January 1, 2018. IFRS 15 introduced a 5 step approach to revenue recognition. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Details of the new requirements as well as their impact on the company's financial statements are described below

The company has applied IFRS 15 in accordance with the retrospective transitional approach as permitted in IFRS 15. In accordance with IFRS15, the company recognize the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application i.e. January 01, 2018. Under this transition method, the company apply this Standard retrospectively only to contracts that are not completed contracts at the date of initial application.

IFRS 15 uses the terms 'contract asset' and 'contract liability' to describe what might more commonly be known as 'accrued revenue' and 'deferred revenue', however the Standard does not prohibit an entity from using alternative descriptions in the statement of financial position. The company has adopted the terminology used in IFRS 15 to describe such balances.

The application of IFRS 15 has not had a significant impact on the financial position and/or financial performance of the company. The company has initially applied IFRS 15 - Revenue from Contracts with Customers as at January 1, 2018. Under the transition method chosen, there is no impact on amount recognized by the company hence, comparative information is not restated.



## KINGSWAY TRADE LLP

### Notes to the financial statements For the year ended 31st July, 2020

#### Standards and interpretations effective for the current year

##### Effective date

January 1, 2019

##### New standards or amendments

- IFRS 16 Leases
- IFRIC 23 Uncertainty over Income Tax Treatments
- Prepayment Features with Negative Compensation (Amendments to IFRS 9)
- Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)
- Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)
- Annual Improvements to IFRS Standards 2015–2017 Cycle – various standards

#### 3. Standards and interpretations in issue but not yet effective (continued)

January 1, 2020

Deferred indefinitely

- Amendments to References to Conceptual Framework in IFRS Standards
- Definition of a Business (Amendments to IFRS 3)
- Definition of Material (Amendments to IAS 1 and IAS 8)
- IFRS 17 Insurance Contracts
- Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The management anticipate that these amendments will be adopted in the company's financial statements for the period beginning January 01, 2019 or as and when it is applicable. The management have not yet had an opportunity to consider the potential impact of the adoption of these amendments.

#### Basis of preparation and accounting policies

##### 3.1 Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Financial Reporting Standards Committee ("IFRSC"), interpretations issued by the Standing Interpretations Committee of IFRSC and the requirement of the Commercial Law of the U.A.E.

##### 3.2 Basis of preparation

The financial statements are prepared in accordance with and comply with the requirements of each applicable International Financial Reporting Standard (IFRS) and each applicable Interpretation of the International Financial Reporting Interpretations Committee (IFRIC). IFRS also includes all International Accounting Standards (IAS) and Interpretations of Standing Interpretation Committee (SIC).

##### 3.3 The financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value of measurement and/or disclosure purposes in statement of financial position is determined on such basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 or value in use in IAS 36.

## KINGSWAY TRADE LLP

### Notes to the financial statements For the year ended 31st July, 2020

#### 3.4 Basis of preparation (continued)

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- i. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- ii. Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- iii. Level 3 inputs are unobservable inputs for the asset or liability. The principal accounting policies are set out below.

#### *Presentation of items in Other Comprehensive Income: Amendments to IAS1: (1 July 2012)*

The Company has applied the amendments to IAS 1 presentation of items of Other Comprehensive Income for the first time in the current year. The amendments introduce new terminology, whose use is not mandatory, for the statement of comprehensive income and income statement. Under the amendments to IAS 1, the 'Statement of Comprehensive Income' is renamed as the 'Statement of Profit or Loss and Other Comprehensive Income' (and the 'Income Statement' is renamed as the 'Statement of Profit or Loss'). The amendments to IAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to IAS 1 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are made. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendment to IAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

#### (ii) *IFRS13: Fair Value Measurement: (1 January 2013)*

IFRS13 establishes a single framework for measuring fair value and is applicable for both financial and non-financial items.

#### 3.5 Trade and other receivables

Trade and other receivable are classified as receivables and loans and stated at cost less impairment losses.

#### 3.6 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

#### 3.7 Staff end-of-service benefits

Provision is made for end-of-service gratuity payable to the staff at the reporting date in accordance with the UAE labor laws.

#### 3.8 Trade and other payables

Liabilities are recognized for amounts to be paid for goods or services received, irrespective of whether invoiced by the supplier.

#### 3.9 Provisions

A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

## KINGSWAY TRADE LLP

### Notes to the financial statements For the year ended 31st July, 2020

#### 3.10 Revenue

##### IFRS 15 Revenue from Contracts with Customers

This standard on revenue recognition replaces IAS 11, 'Construction Contracts' and IAS 18, 'Revenue' and related interpretations. IFRS 15 is more prescriptive, provides detailed guidance on revenue recognition and reduces the use of judgement in applying the revenue recognition policies and practices as compared to the replaced IFRS and related interpretations. It establishes a five step model to account for revenue arising from contracts with customers.

Revenue is recognised when a customer obtains control of goods. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the goods. The core principle of IFRS 15 is that an entity recognizes revenue as it transfers the promised goods in an amount that reflects the consideration to which the entity to be entitled in exchange for those goods.

The company adopted IFRS 15 using the modified retrospective approach. The effect of adopting IFRS 15 was not material on the retained earnings and impacted its accounting policy for revenue recognition as detailed below:

##### Sale of goods

The company's contracts with customers for the sale of goods generally include one performance obligation. The company has concluded that revenue from sale of goods should be recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Therefore, the adoption of IFRS 15 did not have an impact on the timing of revenue recognition.

#### 3.11 Leases

Leases under which substantially all the risks and rewards of ownership of the related assets remain with the lesser are classified as operating leases and the lease payments are charged to profit or loss on a straight-line basis over the period of the lease.

#### 3.12 Foreign currency transactions

The financial statements of the company are presented in the currency of the primary economic environment in which the company operates (its functional currency). For the purpose of the financial statements, the results and financial position of the company are expressed in United States Dollars ("USD"), which is the functional currency of the company and the presentation currency for the financial statements.

- i. Transactions in foreign currencies are converted into US Dollar at rates ruling when entered into.
- ii. Monetary foreign currency balances are converted into US Dollar at the rate of exchange ruling at the statement of financial position date.
- iii. Resultant gain or loss is taken to profit or loss for the year.
- iv. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.
- v. Non-monetary items that are measured in terms of historical cost in a foreign currency are retranslated at the rates prevailing at the date of the transaction.

#### 3.13 Financial instruments

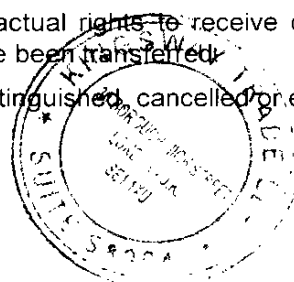
Financial assets and financial liabilities are recognized when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Financial assets are de-recognized when, and only when, the contractual rights to receive cash flows expire or when substantially all the risks and rewards of ownership have been transferred.

Financial liabilities are de-recognized when, and only when, they are extinguished, cancelled or expired.

#### 3.14 Hedging

There are no hedging transactions undertaken by the Company.



## KINGSWAY TRADE LLP

### Notes to the financial statements For the year ended 31st July, 2020

#### 3.15 Going concern

As mentioned in note 6 of the enclosed financial statements, the entire bank balances held with FMBE Bank in Cyprus have been immobilized due to the ongoing liquidation process of the bank. The company currently lacks any invested capital. The company's capacity to sustain its operations hinges on the management's ability to secure ongoing financial backing, ensuring the company can meet its financial obligations as they arise and continue its activities without a substantial reduction in operations. Furthermore, should there be a substantial future reduction in operations, the application of the going concern premise, which underlies the formulation of the attached financial statements, would no longer be appropriate.

#### 3.16 Taxes

##### **Value Added Tax**

Expenses and assets are recognized net of the amount of VAT, except:

-When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

-When receivables and payables are stated with the amount of VAT included

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

#### **4 Significant judgments employed in applying accounting policies**

In the process of applying the company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect in the amounts recognized in the financial statements:

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

Assets that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are companyed at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

#### **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:

##### **Doubtful debt provisions**

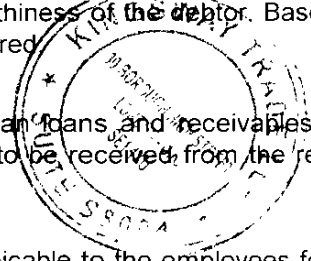
Management regularly undertakes a review of the amount of loans and receivables owed to the company from third parties (see note 10) and assesses the likelihood of non-recovery. Such assessment is based upon the age of the debts, historic recovery rates and assessed creditworthiness of the debtor. Based on the assessment assumptions are made as to the level of provisioning required.

##### **Impairment**

Assessments of net recoverable amounts of all financial assets other than loans and receivables (see above) are based on assumptions regarding future cash flows expected to be received from the related assets.

##### **Employee terminal benefits**

No provision is made for the amounts payable under UAE Labor Law applicable to the employees for the accumulated period of service as at the balance sheet date as they are accounted for on cash basis.



# KINGSWAY TRADE LLP

## Notes to the financial statements For the year ended 31st July, 2020

	<u>31.07.2020</u> <u>USD</u>	<u>31.07.2019</u> <u>USD</u>
<b>6 Cash and cash equivalents</b>		
Cash at bank in current accounts*	4,785,973	4,785,811
	<u>4,785,973</u>	<u>4,785,811</u>
<p>*All bank balances are held with FBME Bank, Cyprus Branch. It is important to note that FBME Bank Cyprus LTD had its banking license suspended in July 2014. As a result, the Central Bank of Cyprus took control of FBME's Cyprus branch, and depositors' accounts were frozen, preventing them from accessing their funds.</p> <p>However, as of June 29, 2023, following a court decision in Nicosia, Cyprus:</p> <p>1) The FBME Bank Cyprus LTD branch is now under liquidation, based on an agreement between the Central Bank of Cyprus and the Deposit Guarantee Board of the United Republic of Tanzania, which became a court ruling.</p> <p>2) An independent liquidator has been appointed for the FBME Bank Ltd branch in Cyprus as per the same agreement.</p> <p>Depositors are advised to file a claim with the appointed liquidator, providing specific details about their frozen funds to initiate the process of recovering their blocked amounts.</p>		
<b>7 Share capital</b>		
<b>Issued, subscribed and paid up:</b>		
100 Shares *face value USD 1 each	<u>100</u>	<u>100</u>
<b>8 Shareholders' current account</b>		
Opening balance	(2,451,916)	(2,526,802)
Net movement during the year	71,935	74,886
<b>Closing balance</b>	<u>(2,379,981)</u>	<u>(2,451,916)</u>
Shareholders' current account is interest free.		
<b>9 Trade and other payables</b>		
Provision and accruals	5,208	4,108
	<u>5,208</u>	<u>4,108</u>
<b>10 Staff salaries and benefits</b>		
Staff salaries, gratuity and other benefits	31,200	30,000
	<u>31,200</u>	<u>30,000</u>
<b>11 Utilities</b>		
Communication & utilities	1,656	1,488
	<u>1,656</u>	<u>1,488</u>
<b>12 Administrative expenses</b>		
Rent	30,600	31,800
Legal, professional and visa charges	7,090	8,160
Printing & stationery	312	403
Travelling and conveyance	1,058	3,220
Other expenses	957	1,050
	<u>40,017</u>	<u>44,633</u>





## **KINGSWAY TRADE LLP**

### **Notes to the financial statements For the year ended 31st July, 2020**

#### **13 Financial instruments**

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 company's risk management is coordinated in close cooperation with the shareholders, and focuses on actively securing the company's short to medium-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Exposure to the aforementioned risks are detailed below:

##### **Credit risk**

Credit risk is the risk that a counterparty fails to discharge an obligation to the company. The company is exposed to credit risk from financial assets including cash and cash equivalents held at banks, trade and other receivables.

At the reporting date, there is no significant concentration of credit risk from trade receivables.

##### **Currency risk**

The company undertakes certain transactions denominated in foreign currencies. There are no significant foreign currency risks as substantially all financial assets and financial liabilities are denominated in Arab Emirates Dirhams or US Dollars to which the US Dollar is fixed.

##### **Interest rate risk**

Term loan is availed at fixed rate of interest. Shareholder current account is not subject to any interest.

##### **Cash flow risk**

Management continuously monitors its cash flows to determine its cash requirements and makes comparison with its funded and un-funded facilities with banks in order to manage exposure to liquidity risk.

##### **Fair values**

Fair value represents the amount at which an asset could be exchanged, or a liability settled, in an arm's length transaction. In respect of all Company's financial assets and liabilities, in the opinion of the management, the book value approximates to their carrying value i.e. market exist price.

#### **14 Related party transactions**

The company in the normal course of business enters into transactions with other business enterprises that fall within the definition of related party contained in the International Accounting Standards No. 24. The company believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

#### **15 Commitments for expenditure**

There are no commitments for acquisition of property, plant & equipment, to contribute funds for the acquisition of property, plant & equipment, to provide loans and others.



**KINGSWAY TRADE LLP**

**Notes to the financial statements  
For the year ended 31st July, 2020**

**16 Events after the reporting period**

No significant event has occurred from the reporting date till the date of Auditors' Report.

**17 Financial instruments: Recognition & measurement**

The account receivable and advances are for business and carry same values as stated in the financial statements.

**18 Contingent liabilities**

There was no contingent liability of a significant amount outstanding at the reporting date

**19 Comparative figures**

Previous year's figures are regrouped / rearranged wherever considered necessary.

**20 Approval of financial statements**

The financial statements were approved by the Director for issue on October 26, 2023.

For KINGSWAY TRADE LLP

*Zulfiya Musatova*  
Director

