

***EMDI (Overseas) FZ - LLC***  
DCCA, Dubai - UAE.

*Financial Statements and Auditors Report*  
*For the year ended 31<sup>st</sup> March 2019.*

**EMDI (Overseas) FZ - LLC**  
DCCA, Dubai - UAE.

**Financial statements and Auditors Report**  
**For the year ended 31st March 2019.**

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**EMDI (Overseas) FZ - LLC**  
DCCA, Dubai, UAE.

***Company information***

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***Address*** : Premises: 110 - 111 & 115,  
Floor 01, Building: B13,  
Knowledge Village,  
P. O. Box No: 500499,  
Dubai - UAE.

***Tax Registration Number*** : 100612130300003

***Financial Year Ending*** : 31<sup>st</sup> March 2019

***Shareholder*** : ***Incorporated In***  
M/s. Greycells Education Limited India

***Manager*** : ***Nationality***  
Mr. Tushar Arun Morsawala Indian

***The Auditors*** : ***M/s. ASP Auditing***  
P.O. Box No: 103528  
Dubai-UAE  
Tel: +971 - 4 - 3353970  
Email: aspa@emirates.net.ae

***The Main Banker*** : Emirates NBD

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To,  
The Shareholder,  
M/s. EMDI (Overseas) FZ - LLC  
DCCA, Dubai - UAE.

### Auditor's Report

We have audited the accompanying Financial statements of M/s. EMDI (Overseas) FZ - LLC, DCCA, Dubai - UAE, UAE which comprise the interim statement of financial position as at 31st March 2019, and the interim statement of profit or loss and other comprehensive income, interim statement of changes in equity and statement of cash flows for the year ended 31st March 2019, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with International Financial Reporting Standards, 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.

### **Auditors' responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion, the Financial statements present fairly, in all material respects, the financial position of M/s. EMDI (Overseas) FZ - LLC, DCCA, Dubai - UAE as at 31st March 2019, and its financial performance and cash flows for the year ended 31st March 2019 is in accordance with International Financial Reporting Standards.

We have obtained all information, which we considered necessary for our audit. Based on the information available, during the year, there were no contraventions of the UAE Federal Commercial Companies Law No. 2 of 2015 (as amended), DCCA Rules and Regulations and the Memorandum of Association of the company during the year under audit, which might have a material effect on the financial position of the company or on the results of its operations for the year.

For ASP AUDITING


May 16, 2019.

**EMDI (Overseas) FZ - LLC**

DCCA, Dubai - UAE

**STATEMENT OF FINANCIAL POSITION**

As at 31st March 2019

<b>ASSETS</b>	<b>Note</b>	<b>Mar-19</b>	<b>Mar-18</b>
		<b>AED</b>	<b>AED</b>
<b>NON -CURRENT ASSETS</b>			
Property, Plant and Equipment	5	22,841	27,278
Intangible Assets	6	13,200	16,500
<b>Total Non-Current Assets</b>	<b>A</b>	<b>36,041</b>	<b>43,778</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	7	107,098	536,804
Accounts & Other Receivables	8	257,584	328,859
Other Current Assets	9	170,132	147,729
<b>Total Current Assets</b>	<b>B</b>	<b>534,814</b>	<b>1,013,392</b>
<b>TOTAL ASSETS</b>	<b>A+B</b>	<u><u>570,855</u></u>	<u><u>1,057,170</u></u>
<b>EQUITY &amp; LIABILITIES</b>			
<b>EQUITY</b>			
Share Capital	4	50,000	50,000
Shareholders Loan Account	14	683,562	26,258
Retained Earnings	15	(1,153,918)	(5,107)
<b>Total Equity</b>	<b>C</b>	<b>(420,356)</b>	<b>71,151</b>

(Cont.)

**EMDI (Overseas) FZ - LLC**

DCCA, Dubai - UAE

**STATEMENT OF FINANCIAL POSITION (Cont.)**

As at 31st March 2019

LIABILITIES	Note	Mar-19	Mar-18
		AED	AED
<b>NON CURRENT LIABILITIES</b>			
Provision for Employee Benefits	13	163,070	205,102
<b>Total Non Current Liabilities</b>	<b>D</b>	<b>163,070</b>	<b>205,102</b>
<b>CURRENT LIABILITIES</b>			
Accounts & Other Payables	10	176,934	64,486
Other Current Liabilities	11	520,907	575,031
Accruals and Provisions	12	130,300	141,400
<b>Total Current Liabilities</b>	<b>E</b>	<b>828,141</b>	<b>780,917</b>
<b>TOTAL LIABILITIES</b>	<b>D+E</b>	<b>991,211</b>	<b>986,019</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>C+D+E</b>	<b>570,855</b>	<b>1,057,170</b>

The notes on pages 9 to 25 form an integral part of these financial statements.

These financial statements were approved on May 16, 2019.

For EMDI (Overseas) FZ - LLC

Authorised Signatory



The report of the auditors is set on page 2 and 3

EMDI (Overseas) FZ - LLC  
DCCA, Dubai - UAE

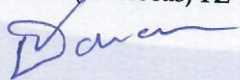
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
For the year ended 31st March 2019

	Note	Mar-19 AED	Mar-18 AED
<b>Continuing Operations</b>			
Revenue			
Cost of Revenue	F	1,597,990	2,482,820
<b>Gross Profit</b>	G	(465,873)	(271,268)
		1,132,117	2,211,552
<b>Other Income</b>	H	91,835	73,959
<b>Operating Expenses</b>			
Employee Cost & Benefits	I	(758,155)	(647,634)
General & Administration Expenses	J	(1,518,542)	(1,140,956)
Financial Charges	K	(35,829)	(24,035)
Managerial Remuneration	L	(51,000)	(409,000)
Trademark Amortisation during the year		(3,300)	(3,300)
Depreciation on Property, Plant and Equipment		(5,937)	(6,244)
<b>Total Operating Expenses</b>		(2,372,763)	(2,231,169)
<b>Profit/ (Loss) for the year</b>		<u>(1,148,811)</u>	<u>54,342</u>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income For the year</b>		<u>(1,148,811)</u>	<u>54,342</u>
<b>Profit/ (Loss) for the year: Attributable to Shareholder</b>		(1,148,811)	54,342

The notes on pages 9 to 25 form an integral part of these financial statements.

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For EMDI (Overseas) FZ - LLC

  
Authorised Signatory



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**CASH FLOW STATEMENT**  
For the year ended 31st March 2019

	Mar-19 AED	Mar-18 AED
<b>Cash Flow from Operating Activities</b>		
Net Profit/ (Loss) as per Profit & Loss Account		
Adjustment for non-cash items	(1,148,811)	54,342
Depreciation		
Trademark Amortisation	5,937	6,244
Operating Cash Flow before changes in net operating assets	3,300	3,300
	<b>(1,139,574)</b>	<b>63,886</b>
<b>Changes in net Working Capital</b>		
(Increase) / Decrease in Accounts & Other Receivables	71,275	(133,879)
(Increase) / Decrease in Other Current Assets	(22,403)	74,775
Increase / (Decrease) in Accounts & Other Payables	112,448	64,486
Increase / (Decrease) in Other Current Liabilities	(54,124)	116,709
Increase / (Decrease) in Accruals & Provisions	(11,100)	50,715
Net Cash Flow from / (used) in Working Capital	96,096	172,806
Operating Cash Flow after changes in net operating assets	<b>(1,043,478)</b>	<b>236,692</b>
<b>Cash flow from Financing Activities</b>		
Increase / (Decrease) of Non Current Liabilities	(42,032)	75,658
Net Changes in Shareholders Current Account	657,304	1,478
Net Cash Flow from / (used) in Financing Activities	<b>615,272</b>	<b>77,136</b>
<b>Cash flow from Investing Activities</b>		
Net Changes in Property, Plant and Equipment	(1,500)	(27,472)
Net Changes in Intangible Assets	-	-
Net Cash Flow from / (used) in Investing Activities	<b>(1,500)</b>	<b>(27,472)</b>
Net increase / (decrease) in cash & cash equivalents	(429,706)	286,356
Cash & Cash equivalents in the beginning of the year	536,804	250,448
<b>Cash &amp; Cash equivalents at the end of the year</b>	<b>107,098</b>	<b>536,804</b>

The notes on pages 9 to 25 form an integral part of these financial statements.

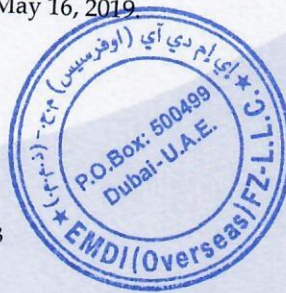
These financial statements were approved on May 16, 2019

For EMDI (Overseas) FZ - LLC

*[Signature]*

Authorised Signatory

The report of the auditors is set on page 2 and 3



**EMDI (Overseas) FZ - LLC**  
DCCA, Dubai - UAE

**STATEMENT OF CHANGES IN EQUITY**  
For the year ended 31st March 2019

Particulars	Share Capital	Shareholders Loan Account	Retained Earnings	Total
	AED	AED	AED	AED
Balance as on 01st April 2017	50,000	24,780	(59,449)	15,331
Net Movements of the year	-	1,478	-	1,478
Profit of the year	-	-	54,342	54,342
Balance as on 01st April 2018	50,000	26,258	(5,107)	71,151
Net Movements of the year	-	657,304	-	657,304
Loss of the year	-	-	(1,148,811)	(1,148,811)
Balance as on 31st March 2019	50,000	683,562	(1,153,918)	(420,356)

The notes on pages 9 to 25 form an integral part of these financial statements.

These financial statements were approved on May 16, 2019.

For EMDI (Overseas) FZ - LLC

Authorised Signatory



The report of the auditors is set on page 2 and 3

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DCCA, Dubai - UAE.

**Notes to the financial statements**

**As on 31st March 2019**

**1. Legal Status and Activities**

- 1.1 M/s. EMDI (Overseas) FZ-LLC, is a Free Zone Limited Liability Company registered with the Dubai Creative Clusters Authority, Government of Dubai, UAE vide Commercial License No. : 18140. The original license was granted on the 04<sup>th</sup> day of March 2004.
- 1.2 The registered address of the Company is Premises: 110 - 111 & 115, Floor 01, Building: B13, Knowledge Village, P. O. Box No: 500499, Dubai, UAE.
- 1.3 **The shareholder of the Company is:**  
M/s. Greycells Education Limited, Incorporated in India 100% Holder
- 1.4 **Mr. Tushar Arun Morsawala, Indian National** has been appointed as the manager of the Company and shall take care of the day to day activities of the Company.
- 1.5 The Company is licensed to engage in the activities of Technical and Occupational Skills including training of Health Care Awareness, Hospitality and Tourism, Media Production.

**2. Application of new and revised International Financial Reporting Standards (IFRS)**

- 2.1 **New and revised IFRSs effective for accounting periods beginning on or after 01<sup>st</sup> January 2018:**  
The following new and revised IFRSs which became effective for the annual periods beginning on or after 01<sup>st</sup> January 2018 have been adopted in these financial statements.

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<u>New and revised IFRSs</u>	<u>Summary of requirements</u>
<p>Amendment to IFRS 1 <i>'First time adoption of International Financial Reporting Standards'</i></p>	<p>The amendments delete certain short term exemptions in IFRS 1 because the reporting period to which the exemptions applied have already passed.</p>
<p>Amendment to IFRS 2, <i>'Share Based Payments'</i></p>	<p>Amendments to clarify the classification and measurement of share-based payment transactions.</p>
<p>Amendment to IFRS 4, <i>'Insurance Contracts'</i></p>	<p>Amendments relating to the different effective dates of IFRS 9 – Financial Instruments in the forthcoming new insurance contracts standard.</p>
<p>Amendment to IAS 7, <i>'Disclosure Initiatives'</i></p>	<p>Disclosures relating to the additional hedge accounting disclosures and consequent amendments resulting from the introduction of hedge accounting chapter in IFRS 9 Financial Instruments,</p>
<p>Amendments to IAS 40 <i>'Transfers of Investment Property'</i></p>	<p>Amendment to para 57 states that an entity shall transfer a property to, or from, investment property when and only when, there is evidence of change in use. A change of use occurs if property meets, or ceases to meet, the definition of investment property. A change in the management's intentions for the use of property by itself does not constitute evidence of change in use. The para has been amended to state that the list of examples therein is non – exhaustive.</p>
<p>Annual Improvements to IFRSs</p>	<p>Annual Improvements to IFRSs – 2014-2016 cycle to remove short term exemptions and clarifying certain fair value measurements.</p>
<p>IFRIC 22 <i>'Foreign Currency Transactions and Advance Consideration'</i></p>	<p>The interpretation addresses foreign currency transactions or parts of transactions where:</p> <ul style="list-style-type: none"> <li>- There is consideration that is denomination or priced in a foreign currency;</li> <li>- The entity recognizes a prepayment asset or a deferred income liability in respect of that consideration, in advance of the recognition of the related asset, expense or income; and</li> <li>- The prepayment asset or deferred income liability is non – monetary.</li> </ul>

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Amendments to IAS 28 'Investment in Associate and Joint Ventures'	Amendments providing clarifications on measuring at fair value through profit or loss
IFRS 9 'Financial Instruments' replaces IAS 39 'Financial Instruments'	Recognition and Measurements for annual periods beginning on or after 01st January 2018, bringing together all three aspects of accounting for financial instruments: classification and measurements; impairment and hedge accounting

**2.2 New and revised IFRSs in issue but not effective:**

The Company has not yet applied the following new and revised IFRSs that have been issued but are not yet effective:

New and Revised IFRSs	Effective for annual periods beginning on or after
<p>IFRIC 23 Uncertainty over Income Tax Treatments The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. It specifically considers:</p> <ul style="list-style-type: none"> <li>- Whether tax treatments should be considered collectively;</li> <li>- Assumptions for taxation authorities examinations;</li> <li>- The determination of taxable profits (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and</li> <li>- The effect of changes in facts and circumstances</li> </ul>	01st January 2019
Annual Improvements to IFRS Standards 2015-2017 cycle amending IFRS 3 - Business Combinations, IFRS 11 - Joints Arrangements, IAS 12 - Income Taxes and IAS 23 - Borrowing Costs	01st January 2019
Amendments to IFRS 9 - Financial Instruments: Relating to prepayment features with negative compensations. This amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortised costs ( or depending on the business model at fair value through other comprehensive income) even in case of negative compensation payments	01st January 2019

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IFRS 16 - Leases: specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.	01 <sup>st</sup> January 2019
Amendments to IAS 28 - Investments in Associates and Joint Ventures: Relating to the long term interests in associates and joint ventures. These amendments clarify that an entity applies IFRS 9 - Financial Instruments to long term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.	01 <sup>st</sup> January 2019
IFRS 17 - Insurance Contracts: requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 Insurance Contracts as of 01 <sup>st</sup> January 2021	01 <sup>st</sup> January 2021
Amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures (2011) relating to the treatment of the sale or contribution of assets from an investor to its associate or joint venture.	Effective date deferred indefinitely. Adoption is still not permitted.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and the adoption of these new standards, interpretations and amendments except for IFRS 16 may have no material impact on the condensed financial statements of the Company in the year of initial application.

Management anticipates that IFRS 16 will be adopted in the Company's financial statements for the annual period beginning 01st January 2019.

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### 3. Significant Accounting Policies

#### Basis of Preparation

These Financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and applicable rules and regulation of the UAE Law and DCCA Rules and Regulations. The significant accounting policies, which have been applied, are set out below:

#### a) Accounting Convention

These Financial statements have been prepared under the historical Cost convention. The accounting policies have been consistently applied by the Company.

#### b) Revenue recognition:

Income is recognized when it is earned, not necessarily when received. i.e., it has been recognized when invoices are raised and acknowledged by the customer. Expenses and charges have been recognized when it was incurred, not necessarily when paid.

#### c) Property, Plant and Equipment:

Property, Plant & Equipment is stated at historical cost less accumulated depreciation and identified impairment loss, if any. The cost comprises of purchase price, levies, duties and any directly attributable costs of bringing the asset to its working condition. The cost of Property, Plant and Equipment are depreciated using the Straight Line Value method after considering the average life of the asset, the date on which it is put in to use and depreciation has been provided over the assets based on the following Economic lives:

- Furniture & Fittings : 5 Years
- Motor Vehicles : 5 Years
- Hardware & Software : 5 Years

The Carrying value of Property, Plant & Equipment is viewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying value exceed the estimated recoverable amount, the

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assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalized and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalized only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognized in the statement of comprehensive income as the expense is incurred.

The Assets residual values, useful lives and methods of depreciation are reviewed, and adjusted prospectively if appropriate, at each financial year end.

**d) Intangible Assets:**

Trademarks acquired are initially recognized at cost and are subsequently carried at cost less accumulated amortization and accumulated impairment losses. These costs are amortized to profit or loss using the straight line method over 10 years.

**e) Foreign Currency Transactions:**

Foreign currency transactions are recorded in UAE Dirham at the approximate rate of exchange ruling at the time of the transaction. Assets and liabilities expressed in foreign currencies at the Statement of Financial Position date are converted into UAE dirham at the year end rate of exchange. All foreign currency gains and losses are booked in the statement of income as they arise.

**f) Revenues**

Income represents the services rendered during the period, net of discounts and indentive income.

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**g) Accounts Receivables :**

The schedule of Accounts Receivables represents amounts falling due as on the date of Statement of Financial Position. Accounts Receivables are normally requiring the amounts to be received within 90 days of the date of invoice. Bad debts are written off as and when they arise. Accounts Receivables are stated net of provision for doubtful debts and discounts.

**h) Employees' Terminal benefits:**

Provision is made in accounts for end of service benefits due to employees in accordance with UAE federal labour Laws No (8) year 1980 and DCCA Rules and Regulations. Provision is made for amounts payable under the UAE Labour Law applicable to employees Accumulated year of service at the statement of financial position date.

**i) Rounding off:**

The figures stated in the attached Financial statements are rounded off to the nearest UAE Dirham.

**j) Fair Value of financial instruments:**

The value of all classes of financial assets and financial liabilities, as recorded in the Statement of Financial Position approximate the fair value of these assets and liabilities.

**k) General:**

In the opinion of the management all the assets as shown in the Financial statements are existing and realizable at the amount shown against and there are no liabilities against the Company contingent or otherwise not included in the above Financial statements.

**l) Profit and Loss account:**

The Company's profit is arrived at after charging all expenses incurred in day to day operations of the business and in maintaining Property, Plant and Equipment.

**m) Accounts payables:**

The schedule of Accounts payable represents amounts falling due as on the date of Statement of Financial Position. Accounts payable are normally settled within 30 days. Liabilities are recognized for amounts to be paid in the future for goods of services whether or not billed to the Company.

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**n) Inflationary Factor:**

No adjustments have been made in these financial statements to identify the inflationary factor.

**o) Key Sources of Estimation Uncertainty**

The entity management set out the entity's overall business strategies and its risk management policy. The Entity's overall financial risk management program seeks to minimize potential adverse effects on the financial performance of the entity. The entity policies include financial risk management policies covering specific areas, such as market risk (including foreign exchange risk, interest risk, liquidity risk and credit risk). Periodic reviews are undertaken to ensure that the entity's policy guidelines are complied with.

There has been no change to the entity's exposure to the financial risks or the manner in which it manages and measures the risk.

The entity is exposed to the following risks related to financial instruments. The entity has not framed formal risk management policies; however, the risks are monitored by management on a continuous basis. The entity does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes.

**a) Foreign Currency risk management**

The entity undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

**b) Liquidity risk management**

Ultimate responsibility for liquidity risk management rest with the management which has built an appropriate liquidity risk management framework for the management of the entity's short, medium and long term funding and liquidity management requirements. The entity manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

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The table below summarizes the maturity profile of the entity's financial assets and financial liabilities. The contractual maturities of the financial assets and financial liabilities have been determined on the basis of the remaining period at the financial position date based on contractual repayment agreements were as follows:

Particulars	Interest Bearing			Non Interest Bearing			Total
	On Demand or Less than 3 Months	Within 1 Year	More than 1 Year	On Demand or Less than 3 Months	Within 1 Year	More than 1 Year	
<b>As at 31st March 2019</b>							
<b>Financial Assets</b>							
Cash and Bank Balances	-	50,000	-	57,098	-	-	107,098
Accounts Receivable	-	-	-	123,719	171,565	-	295,284
<b>TOTAL</b>	-	50,000	-	180,817	171,565	-	402,382
<b>Financial Liabilities</b>							
Accounts Payables	-	-	-	137,984	-	-	137,984
<b>TOTAL</b>	-	-	-	137,984	-	-	137,984

c) Credit Risk Management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the entity. The Entity's exposure are continuously monitored and their credit exposure is reviewed by the management regularly and the entity maintains allowances for doubtful debts based on expected collectability of all Accounts Receivables .

Accounts Receivables consist of a number of customers. Ongoing credit evaluation is performed on the financial condition of Accounts Receivables. Further details of credit risk on trade and other receivable are disclosed in the notes to financial statements.

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The Company is exposed to credit risk on its Cash at Bank, Accounts Receivable as follows:

Particulars	31st March 2019	31st March 2018
	AED	AED
Cash at Bank	56,014	436,708
Accounts Receivable	295,284	366,559
<b>TOTAL</b>	<b>351,298</b>	<b>803,267</b>

With respect to credit risk arising from the other financial assets of the Company, including cash and cash equivalents, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

d) Capital risk management

The Company's objectives when managing capital to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The director's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt consistent with others in the industry; the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less Cash at Bank.

The Company manages its capital structure and makes adjustments to it, in light of changed in economic conditions. No Changes were made in the objectives, Policies or Processes during the years ended 31<sup>st</sup> March 2018 and 31<sup>st</sup> March 2019. Capital Consists of Share Capital Account, Shareholders Loan Account and Retained Earnings are measured at Debit balance of AED. 420,356/- as at 31<sup>st</sup> March 2019. (2018: AED. 71,151/-).

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e) Impairment of Accounts Receivables

An estimate of the collectible amount of Accounts Receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed individually and a provision applied according to the length of time past due, based on historical recovery rates.

At the reporting date, gross Accounts Receivables was AED. 295,284/- (2018: AED. 366,559/-), with provision for doubtful debts AED. 37,700/- (2018: AED. 37,700/-). Any difference between the amounts actually collected in future periods and the amounts expected will be recognized in the statement of comprehensive income

f) Useful Lives of Property and Equipment

The Company's management determines the estimated useful lives of its property and equipment for calculating depreciation. This Estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

p) **Contingencies and commitments:**

As at 31st March 2019 the Company doesn't have any commitments other than the cheques issued which are not yet presented in the bank for collection.

q) **Exchange Rate Risk:**

Since the main currencies of the financial instruments, other assets, liabilities and trading transactions including purchase and sales are UAE Dirhams and US Dollars, the Company is not exposed to any significant exchange rate risk.

r) **Financial Charges:**

The Financial Charges includes finance cost, other charges related to finance and the bank charges.

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**s) Corresponding Figures**

The corresponding figures of the previous period are comparable as these comprise the financial position and operating results for the year ended 31<sup>st</sup> March 2018, audited by another auditor, while the current figures comprised the financial position and operating results for the year ended 31<sup>st</sup> March 2019. Reclassification has been made wherever necessary, for the purpose of better presentation of financial information.

**t) Operating Segments:**

For management purpose the company is organized into single operating segment called the activities of Technical and Occupational Skills including training of Health Care Awareness, Hospitality and Tourism, Media Production.

**4. Share Capital**

**31st March 2019**

*Authorized, Subscribed, Issued, Paid up Share Capital;*

-50 Shares of Dhs. 1,000/- each

Dhs. 50,000/-

**Held By**

**Shareholder and its holdings;**

M/s. Greycells Education Limited, Incorporated in India

: 50 shares

Dhs. 50,000/-

**Total**

: 50 shares

Dhs. 50,000/-

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*31st March 2019*

**5. Property, Plant and Equipment**

	Furnitures & Fittings AED	Motor Vehicles AED	Hardware & Software AED	Total AED
<b>Cost</b>				
Opening Value	214,415	19,000	18,989	252,404
Additions			1,500	1,500
Deletions	-	-	-	-
Total Cost	214,415	19,000	20,489	<b>253,904</b>
<b>Depreciation</b>				
Accumulated as on 01st April 2018	207,871	3,803	13,452	225,126
Charge for the year	655	3,804	1,478	5,937
Accumulated as on 31st March 2019	208,526	7,607	14,930	<b>231,063</b>
<b>Closing Value</b>				
As on 31st March 2018	6,544	15,197	5,537	27,278
As on 31st March 2019	5,889	11,393	5,559	<b>22,841</b>

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Notes to the Financial Statements

	Mar-19	Mar-18
	AED	AED
<b>6. Intangible Assets</b>		
Trademark	16,500	19,800
Less: Written off	(3,300)	(3,300)
	<b>13,200</b>	<b>16,500</b>
<b>7. Cash and Cash Equivalents</b>		
Cash in hand	1,084	96
Fixed Deposits	50,000	100,000
Cash at Bank	56,014	436,708
	<b>107,098</b>	<b>536,804</b>

Cash and Cash Equivalents are items, which are readily convertible to known amounts of Cash and which are subject to insignificant risk of change in value.

**8. Accounts & Other Receivable**

Accounts Receivable	295,284	366,559
Less: Provision for Doubtful Debts	(37,700)	(37,700)
	<b>257,584</b>	<b>328,859</b>
<i>Ageing Analysis:</i>		
0 - 30 days	75,355	-
31 - 60 days	38,491	-
61 - 90 days	9,873	-
Above 90 days	171,565	-
	<b>295,284</b>	<b>-</b>

The company uses an allowance account when recognizing impairment losses on its receivables unless otherwise determined that the likelihood of collection is remote, in which the Company directly charges the loss against its receivables. The company writes off receivables if after exhausting prudent collection procedures, the Management assessed that the possibility of collection is remote.

The Management considers the all the accounts receivables as good and hence has not made any provision for bad and Doubtful debts as on the date of Statement of Financial Position.

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Notes to the Financial Statements

	<b>Mar-19</b>	<b>Mar-18</b>
	<b>AED</b>	<b>AED</b>
<b>9. Other Current Assets</b>		
Deposits	27,500	27,000
Other Advances	500	3,000
Prepayments	117,928	117,069
VAT Receivable	22,919	-
Interest Accrued	1,285	660
	<b>170,132</b>	<b>147,729</b>
<b>10. Accounts &amp; Other Payables</b>		
Accounts Payable	137,984	60,486
Other Payables	38,950	4,000
	<b>176,934</b>	<b>64,486</b>
<i>Ageing Analysis:</i>		
0 - 30 days	78,387	-
31 - 60 days	32,597	-
61 - 90 days	27,000	-
	<b>137,984</b>	<b>-</b>
<b>11. Other Current Liabilities</b>		
Fees received in Advance	20,513	-
Loan from Third Parties	77,950	-
Deferred Revenue	422,444	517,927
Vat Liability	-	57,104
	<b>520,907</b>	<b>575,031</b>
<b>12. Accruals &amp; Provisions</b>		
Accrued Expenses	130,300	141,400
	<b>130,300</b>	<b>141,400</b>

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	Mar-19	Mar-18
	AED	AED
<b>13. Provision for Employee Benefits</b>		
Provision for Employee Benefits	163,070	205,102
	<b>163,070</b>	<b>205,102</b>
<p>The Provision for end of service benefits for employees is made in accordance with the requirements of the UAE Labour Laws. This is an unfunded defined benefits retirement plan. Employees are entitled to benefits based on the length of service and final remuneration. Accrued employees' terminal benefits are payable on termination of employment.</p>		
<b>14. Shareholders Loan Account</b>		
Balance at the beginning of the year	26,258	24,780
Add: Interest charged	14,432	1,478
Add: Additional Loan taken during the year	642,872	-
Balance at the end of the year	<b>683,562</b>	<b>26,258</b>
<b>15. Retained Earnings</b>		
Balance at the beginning of the year	(5,107)	(59,449)
Add: Net Loss for the year	(1,148,811)	54,342
Balance at the end of the year	<b>(1,153,918)</b>	<b>(5,107)</b>
<b>F. Revenue</b>		
Course Fees	1,582,610	2,469,997
Income from Training Events	15,380	12,823
	<b>1,597,990</b>	<b>2,482,820</b>
<b>G. Cost of Revenue</b>		
Direct Expenses	465,873	271,268
	<b>465,873</b>	<b>271,268</b>

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Notes to the Financial Statements

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	Mar-19	Mar-18
	AED	AED
<b>H. Other Income</b>		
Rental Income	3,800	14,900
Miscellaneous Income	2,693	6,691
Student Visa Income	84,717	51,873
Interest Income	625	495
	<b>91,835</b>	<b>73,959</b>
<b>I. Employee Cost &amp; Benefits</b>		
Salaries & Benefits	758,155	647,634
	<b>758,155</b>	<b>647,634</b>
<b>J. General and Administration Expenses</b>		
Rent	367,010	376,865
Communication Cost	41,961	35,106
Printing & Stationery	11,616	11,391
Repair & Maintenance	2,152	12,338
Insurance Charges	3,253	1,589
Audit Fees	21,000	12,500
VAT Audit Fees	11,250	1,500
License, Professional & Legal Charges	739,274	268,740
Bad Debts	-	48,761
Travelling and Conveyance Expenses	19,841	44,676
Advertising and Marketing Expenses	279,543	284,230
General Expenses	21,642	43,260
	<b>1,518,542</b>	<b>1,140,956</b>
<b>K. Financial Charges</b>		
Finance Cost *	35,829	24,035
	<b>35,829</b>	<b>24,035</b>
<i>* Finance Cost includes bank charges, interest on loan, other charges related to finance.</i>		
<b>L. Managerial Remuneration</b>		
Managerial Remuneration	51,000	409,000
	<b>51,000</b>	<b>409,000</b>