

**BOROSIL AFRASIA  
MIDDLE EAST  
TRADING LLC**

**Financial Statements**

*31 March 2016*

***Registered office:***

Office 7, KKR Business Centre,  
Aspin Commercial Tower, Sheikh Zayed Road  
P.O. Box 413900  
Dubai, U.A.E.

# **BOROSIL AFRASIA MIDDLE EAST TRADING LLC**

## **Financial Statements**

*31 March 2016*

<i>CONTENTS</i>	<i>PAGE</i>
Director's Report	1
Independent Auditors' Report	2
Statement of Financial Position	3
Statement of Comprehensive Income	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 – 17

## **BOROSIL AFRASIA MIDDLE EAST TRADING LLC**

### **Director's Report**

The director submits his report for the first accounting period that ended on 31 March 2016.

#### **Results**

Loss for the period amounted to AED 208,482/-.

#### **Review of the business**

The company is registered to carry out activity of general trading.

#### **Events since the end of the period**

There were no important events, which have occurred since the period-end that materially affect the company.

#### **Shareholders and management**

The shareholders and their interests as at 31 March 2016 in the share capital of the company was as follows:

<i><u>Name of the shareholder</u></i>	<i><u>Nationality/ Country of incorporation</u></i>	<i><u>No. of shares</u></i>	<i><u>AED</u></i>
Mr. Husain Abdulla Husain Ahmed Husain	U.A.E.	51	153,000
Borosil Afrasia FZE	U.A.E.	<u>49</u>	<u>147,000</u>
		<b><u>100</u></b>	<b><u>300,000</u></b>

#### **Auditors**

A resolution to re-appoint **KSI Shah & Associates** as auditors and fix their remuneration will be put to the board at the annual general meeting.

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**Mr. Pradeep Kumar Kheruka**  
Director

## **Independent Auditors' Report to the Shareholders of BOROSIL AFRASIA MIDDLE EAST TRADING LLC**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **BOROSIL AFRASIA MIDDLE EAST TRADING LLC**, which comprises of the statement of financial position as of 31 March 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and a summary of significant accounting policies and explanatory notes.

### **Management's Responsibility for the Financial Statements**

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

### **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 ethical requirements and plan and perform the audit to obtain reasonable assurance 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 judgment, including the assessment of the risk 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 company'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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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 reasonable basis for our audit opinion.

### **Opinion:**

In our opinion, the financial statements present fairly, in all material respects the financial position of **BOROSIL AFRASIA MIDDLE EAST TRADING LLC** as of 31 March 2016 and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

### **Other matters:**

We further confirm that we have obtained all information and explanations necessary for our audit that proper books of account have been kept by the company, the contents of the director's report relating to these financial statements are in agreement with the books of account. To the best of our knowledge and belief no violations of the U.A.E. Commercial Companies Law No. 8 of 1984 (as amended) or the articles of association of the company have occurred during the period, which would have had a material effect on the business of the company or on its financial position.

For KSI Shah & Associates

Dubai, U.A.E.

Signed by:

Sonal P. Shah (Registration No. 123)

20 May 2016

**BOROSIL AFRASIA MIDDLE EAST TRADING LLC****Statement of Financial Position***At 31 March 2016*

	<i>Notes</i>	<i>2016 AED</i>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Fixed assets	6	<u>34</u>
<b>Current assets</b>		
Inventory	7	219,540
Trade and other receivables	8	193,348
Prepayments		26,528
Cash and bank balances	9	<u>307,404</u>
		<b><u>746,820</u></b>
<b>TOTAL ASSETS</b>		<b><u>746,854</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	10	300,000
Loss for the period		<u>(208,482)</u>
<b>Equity funds</b>		<b><u>91,518</u></b>
<b>Current liabilities</b>		
Trade and other payables	11,14	<u>655,336</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>746,854</u></b>

*The accompanying notes 1 to 18 form an integral part of these financial statements.*

*The Independent Auditors Report is set forth on page 2.*

*Approved by the shareholder on 20<sup>th</sup> May 2016 and signed by:*

**For BOROSIL AFRASIA MIDDLE EAST TRADING LLC**

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**Mr. Pradeep Kumar Kheruka**

Director

## **BOROSIL AFRASIA MIDDLE EAST TRADING LLC**

### **Statement of Comprehensive Income** *for the period ended 31 March 2016*

	<i>Notes</i>	<i>21 Sept. 2015 to 31 Mar. 2016 <u>AED</u></i>
<b>Sales</b>		<b>176,485</b>
Cost of sales	13,14	<u>(178,324)</u>
<b>Gross loss</b>		<b>(1,839)</b>
Expenses		<u>(206,643)</u>
<b>Loss for the period</b>		<b>(208,482)</b>
Other comprehensive income		<u>-</u>
<b>Total comprehensive income for the period</b>		<b><u>(208,482)</u></b>

*The accompanying notes 1 to 18 form an integral part of these financial statements.*

## BOROSIL AFRASIA MIDDLE EAST TRADING LLC

### Statement of Changes in Equity for the period ended 31 March 2016

	<i>Share Capital <u>AED</u></i>	<i>Accumulated losses <u>AED</u></i>	<i>Total <u>AED</u></i>
Share capital introduced	300,000	-	300,000
Loss for the period	-	(208,482)	(208,482)
<b>As at 31 March 2016</b>	<b><u>300,000</u></b>	<b><u>(208,482)</u></b>	<b><u>91,518</u></b>

*The accompanying notes 1 to 18 form an integral part of these financial statements.*

## BOROSIL AFRASIA MIDDLE EAST TRADING LLC

### Statement of Cash Flows

for the period ended 31 March 2016

21 Sept. 2015  
to  
31 Mar. 2016  
AED

#### Cash flows from operating activities

Loss for the period	(208,482)
Adjustment for	
Depreciation	650
<b>Operating loss before working capital changes</b>	<b>(207,832)</b>
Inventory	(219,540)
Trade and other receivables	(219,876)
Trade payables	655,336
<b>Net cash from operating activities</b>	<b><u>8,088</u></b>

#### Cash flows from investing activities

Purchase of fixed assets	(684)
<b>Net cash used in investing activities</b>	<b><u>(684)</u></b>

#### Cash flows from financing activities

Share capital introduced	300,000
<b>Net cash from financing activities</b>	<b><u>300,000</u></b>

<b>Cash and cash equivalents at end of the period</b>	<b><u>307,404</u></b>
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*The accompanying notes 1 to 18 form an integral part of these financial statements.*



**BOROSIL AFRASIA MIDDLE EAST TRADING LLC**

(Incorporated in in the Emirate of Dubai)

(Registration No 119712)

**Notes to the Financial Statements**

*for the period ended 31 March 2016*

**1. Legal status**

- a) **BOROSIL AFRASIA MIDDLE EAST TRADING LLC** is a limited liability company registered in the emirate of Dubai, under commercial license # 742832 issued by the Department of Economic Development, Dubai, U.A.E. in accordance with the provision of Article 218 of the U.A.E. Commercial Companies Law No. 8 of 1984, as amended. The company was incorporated on 21 September 2015 therefore these financials are prepared for 192 days.
- b) The company is registered to carry out activity of general trading. However during the period, the company was mainly engaged in trading of consumer ware kitchen items.

**2. Basis of preparation****a) Statement of compliance**

The financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning on or after 1 January 2015 and the applicable requirements of the UAE Commercial Companies Law No. 8 of 1984.

**b) Basis of measurement**

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange of 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 a 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.

**c) Functional and presentation currency**

These financial statements are presented in U.A.E. Dirhams, which is the company's functional and presentation currency.

**3. Use of estimates and judgment**

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

# **BOROSIL AFRASIA MIDDLE EAST TRADING LLC**

## **Notes to the Financial Statements** *for the period ended 31 March 2016*

### **Judgments made in applying accounting policies**

The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

#### ***Impairment***

At each reporting date, management conducts an assessment of fixed assets and all financial assets to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made. In the case of loans and receivables, if an amount is deemed irrecoverable, it is written off to Statement of Comprehensive Income or, if previously a provision was made, it is written off against the provision.

Reversals of provisions against loans and receivables are made to the extent of the related amounts being recovered.

### **Key sources of estimation uncertainty and assumptions**

The key assumptions concerning the future, and other key sources of estimation uncertainty and assumptions at the reporting date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### ***Residual values of fixed assets***

Residual values are assumed to be 5% of cost of fixed assets unless a reliable estimate of the current value can be obtained for similar assets of ages and conditions that are reasonably expected to exist at the end of the assets' estimated useful lives.

#### ***Estimated useful lives of fixed assets***

Management determines the estimated useful lives and depreciation charge for its fixed assets at the time of addition of the assets and is reviewed on annual basis.

#### ***Inventory provision***

Management regularly undertakes a review of the company's inventory, in order to assess the likely realization proceeds, taking in account purchase and replacement prices, age, likely obsolescence, the rate at which goods are being sold and the physical damage. Based on the assessment assumptions are made as to the level of provisioning required.

#### ***Doubtful debt provision***

Management regularly undertakes a review of the amounts of loans and receivables owed to the company either from third parties or from related parties and assess 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.

# **BOROSIL AFRASIA MIDDLE EAST TRADING LLC**

## **Notes to the Financial Statements** *for the period ended 31 March 2016*

### *Impairment*

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

## **4. Adoption of new and revised International Financial Reporting Standards**

### **a) New and revised International Financial Reporting Standards**

The following International Financial Reporting Standards, amendments thereto and interpretations issued by IASB that became effective for the current reporting period and which are applicable to the company are as follows:

- Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)
- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)
- Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)

During the current period, the management has adopted the above standards and amendments to the extent applicable to them from their effective dates.

These amendments have no significant impact on the amounts reported in these financial statements.

Their adoption has resulted in presentation and disclosure changes only.

### **b) International Financial Reporting Standards issued in 2014 but not effective**

IFRS 9 – Financial Instruments (July 2014 version) this replaces the earlier IFRS 9 and is the final version – The effective date of the standard is set for annual periods beginning on or after 1 January 2018 with choice for early adoption. From February 2015 entities newly applying IFRS 9 will need to apply the version published in July 2014.

IFRS14 – Regulatory Deferral Accounts – The effective date of the standard is set for annual periods beginning on or after 1 January 2016.

IFRS 15 – Revenue from contracts with customers- The effective date of the standard is set for annual periods beginning on or after 1 January 2017.

The company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

**BOROSIL AFRASIA MIDDLE EAST TRADING LLC****Notes to the Financial Statements**  
*for the period ended 31 March 2016***5. Significant accounting policies:****a) Depreciation of fixed assets**

Minor fixed assets are depreciated by cost less 5% of residual value in the year of purchase.

**b) 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.

**Financial Assets***Non derivative financial assets**Initial Recognition and Measurement*

Financial assets are recognized on the statement of financial position when, and only when, the company becomes a party to the contractual provisions of the financial instrument. The company determines the classification of its financial assets at initial recognition.

When financials assets are recognized initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

*Subsequent Measurement*

The subsequent measurement of non - derivative financial assets depends on their classification as follows:

The company classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, available-for-sale financial assets and loans and receivables.

During the year, the company has non-derivative financial assets in the form of loans and receivables only.

**BOROSIL AFRASIA MIDDLE EAST TRADING LLC****Notes to the Financial Statements**  
*for the period ended 31 March 2016****Loans and receivables***

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to the initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less impairment. Gains and losses are recognized in income statement when the loans and receivables are derecognized or impaired, and through the amortization process.

***Offsetting of financial instruments***

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**c) Inventories**

Inventories are valued at lower of cost or net realisable value. Cost comprises of invoice value plus attributable direct expenses. Net realisable value is based on estimated selling price less any further costs expected to be incurred for disposal. Cost is calculated on weighted average method.

**d) Trade and other receivables**

Trade receivables are carried at the original invoice amount to the customers.

An estimate is made for doubtful receivables based on a periodic review of all outstanding amounts.

Bad debts are written off when identified.

**e) Foreign currency transactions**

Transactions in foreign currencies are converted into U.A.E. Dirhams at the rate of exchange ruling on the date of the transaction. Assets and liabilities expressed in foreign currencies are translated into U.A.E. Dirhams at the rate of exchange ruling at the reporting date. Resulting exchange gains/losses are taken to the statement of comprehensive income.

**f) Impairment of financial assets**

The company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Financial asset together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the company.

**BOROSIL AFRASIA MIDDLE EAST TRADING LLC****Notes to the Financial Statements**  
*for the period ended 31 March 2016***Impairment of financial assets** (contd.):

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the financial assets carrying amount and the present value of estimated future cash flows.

For financial assets carried at amortized cost, the carrying amount is reduced through the use of an allowance account and the amount of the loss is recognized in the Statement of Comprehensive Income.

If a write-off is later recovered, the recovery is credited to the Statement of Comprehensive Income.

**g) Impairment of non-financial assets**

The company assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount.

Where the carrying amount of an asset or cash generating units exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognized in the Statement of Comprehensive Income in those expense categories consistent with the function of the impaired asset.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. Such reversal is recognized in the Statement of Comprehensive Income.

**h) Trade and other payables**

Liabilities are recognized for amounts to be paid for goods or services received, whether invoiced by the supplier or not.

**i) Provisions**

Provisions are recognized when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

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

## **BOROSIL AFRASIA MIDDLE EAST TRADING LLC**

### **Notes to the Financial Statements** *for the period ended 31 March 2016*

#### **j) Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership and the lease payments are charged to the Statement of Comprehensive Income on a straight line basis over the period of lease.

#### *The Company as lessee*

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

#### **k) Contingencies**

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

#### **l) Revenue recognition**

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which time all the following conditions are satisfied.

- ✚ the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- ✚ the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- ✚ the amount of revenue can be measured reliably;
- ✚ it is probable that the economic benefits associated with the transaction will flow to the company; and
- ✚ the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **m) Cash and cash equivalents**

Cash and cash equivalents for the purpose of the cash flow statement comprise cash and cheques on hand, bank balance in current accounts, deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment.

## BOROSIL AFRASIA MIDDLE EAST TRADING LLC

### Notes to the Financial Statements for the period ended 31 March 2016

	<i>Equipment</i> <u>AED</u>	<i>Furniture</i> <u>AED</u>	<i>Total</i> <u>AED</u>
<b>6. Fixed assets</b>			
<b>Cost</b>			
Purchased during the period	<u>284</u>	<u>400</u>	<u>684</u>
As at 31.03.2016	<u><b>284</b></u>	<u><b>400</b></u>	<u><b>684</b></u>
<b>Depreciation</b>			
Charge for the period	<u>270</u>	<u>380</u>	<u>650</u>
As at 31.03.2016	<u><b>270</b></u>	<u><b>380</b></u>	<u><b>650</b></u>
<b>Net book value</b>			
As at 31.03.2016	<u><b>14</b></u>	<u><b>20</b></u>	<u><b>34</b></u>
			<i>2016</i> <u>AED</u>
<b>7. Inventory</b>			
Consumerware kitchen items			<u><b>219,540</b></u>
<b>8. Trade and other receivables</b>			
Trade receivables			189,348
Deposits			<u>4,000</u>
			<u><b>193,348</b></u>
<b>9. Cash and bank balances</b>			
Bank balance in:			
Current account			<u><b>307,404</b></u>
<b>10. Share capital</b>			
Authorized, issued and subscribed capital			
100 shares of AED 3,000/- each			<u><b>300,000</b></u>
<b>11. Trade and other payables</b>			
Trade payables			411,055
Other payables			<u>244,281</u>
			<u><b>655,336</b></u>



## BOROSIL AFRASIA MIDDLE EAST TRADING LLC

### Notes to the Financial Statements for the period ended 31 March 2016

#### 12. Statutory reserve

Statutory reserve is created by allocating 10% of the net profit of the company as required by Article 255 of the UAE Commercial Companies Law No. 8 of 1984, as amended concerning Commercial Companies in the UAE. The company can discontinue such annual transfers when this reserve totals 50% of the paid up share capital. The reserve is not available for distribution except as provided in the Federal Law.

#### 13. Cost of sales

Cost of sales includes purchase of consumer ware kitchen items and other direct expenses.

#### 14. Related party transactions

For the purpose of these financial statements, parties are considered to be related to the company if the company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making party financial and operating decisions, or vice versa, or where the company and the party are subject to common control or common significant influence. Related party may be individuals or other entities.

The nature and amount of significant transactions during the period are as under:

	<i>Shareholder</i> <u>AED</u>	<i>Total</i> <i>2016</i> <u>AED</u>
Purchases	397,864	397,864

The company also provides funds to/receives funds from related parties as and when required to meet working capital requirements free of interest charge.

At the reporting date balance with a related party was as follows:

	<i>Shareholder</i> <u>AED</u>	<i>Total</i> <i>2016</i> <u>AED</u>
<b>Included in current liabilities:</b>		
Trade payables	397,864	397,864
Other payables	134,587	134,587

**BOROSIL AFRASIA MIDDLE EAST TRADING LLC****Notes to the Financial Statements***for the period ended 31 March 2016***15. Financial instruments: Credit, Market risk and liquidity risk exposures**

The company has exposure to the following risks from its use financial instruments:

- a) Credit risk
- b) Market risk
- c) Liquidity risk

**a) Credit risk**

Financial assets, which potentially expose the company to concentrations of credit risk, comprise principally of bank balances and trade and other receivables

***Trade and other receivables***

As at the reporting date, the company's maximum exposure to credit risk from trade receivable situated within U.A.E. amounted to AED 153,750/- due from a customer.

There is no significant concentration of credit risk from trade receivables outside U.A.E. and outside the industry in which the company operates.

***Bank balance***

The company's bank balance in a current account is placed with high credit quality financial institution.

**b) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as exchange rate risk, interest rate risk or other price risk, which will affect the company's income or the value of its holding of financial instruments.

***Interest rate risk***

Since the company does not have any deposits or borrowings, interest rate risk is minimum.

***Exchange rate risk***

There is no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in U.A.E. Dirhams or US Dollars to which U.A.E. Dirham is fixed.

**c) Liquidity risk**

Liquidity risk is the risk that the company will not be able to meet financial obligations as they fall due. The liquidity requirements are monitored on a regular basis by the owners and the management who ensure that sufficient funds are made available to the company to meet any future commitments.

**BOROSIL AFRASIA MIDDLE EAST TRADING LLC****Notes to the Financial Statements**  
*for the period ended 31 March 2016***16. Financial instruments: Fair value**

Financial instruments comprise of financial assets and financial liabilities. The fair value of the company's financial assets comprising of trade receivables and bank balance and financial liabilities comprising of trade payable, due to a related party and other payables approximate to their carrying values.

**17. Contingent liability**

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

**18. Comparative figures**

This being the first period of the company's operations, there are no comparative figures.