

**Barbeque Nation Holdings Pvt Ltd**

**Financial statements**

**From the date of incorporation (15 September 2017) to 31 March  
2018**

# **Barbeque Nation Holdings Pvt Ltd**

## **Financial statements**

*From the date of incorporation (15 September 2017) to 31 March 2018*

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## Barbeque Nation Holdings Pvt Ltd

### Corporate data

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|                               |   | <b>Date of<br/>appointment</b> | <b>Date of<br/>resignation</b> |
|-------------------------------|---|--------------------------------|--------------------------------|
| <b>Directors:</b>             | Kamal Haasan IYAROO   | 15 September 2017              | -                              |
|                               | Hemlata KULPOO  | 15 September 2017              | -                              |
|                               | Kayum Razak DHANANI   | 15 September 2017              | -                              |
|                               | Raof Abdul Razak DHANANI  | 15 September 2017              | -                              |
|                               | Rahul AGRAWAL   | 15 September 2017              | -                              |
|                               | Mohan RAMAMURTHY  | 15 September 2017              | -                              |
| <b>Secretary:</b>             | <b>Tri-Pro Administrators Ltd</b><br>Level 5, Maeva Tower<br>Bank street<br>CyberCity<br>Ebene<br>Mauritius   |                                |                                |
| <b>Registered<br/>office:</b> | Level 5, Maeva Tower<br>Bank street<br>CyberCity<br>Ebene<br>Mauritius  |                                |                                |
| <b>Auditors:</b>              | <b>Crowe Horwath ATA</b><br><i>Member Crowe Horwath International</i><br>2 <sup>nd</sup> Floor, Ebene Esplanade<br>24, Bank Street, CyberCity<br>Ebene<br>Mauritius |                                |                                |
| <b>Banker:</b>                | <b>Banques des Mascareignes</b><br>Maeva Tower<br>Cybercity<br>Ebene<br>Mauritius   |                                |                                |

## **Barbeque Nation Holdings Pvt Ltd**

### **Commentary of the directors**

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The directors are pleased to present their commentary together with the audited financial statements of **Barbeque Nation Holdings Pvt Ltd** (the "Company") for the period from incorporation (15 September 2017) to 31 March 2018.

#### **Principal activity of the Company**

The principal activity of the Company is that of investment holding.

#### **Results and dividends**

The results for the period are shown on page 8.

The directors do not recommend the payment of a dividend for the period under review.

#### **Statement of directors' responsibilities in respect of the financial statements**

Company law requires the directors to prepare financial statements for each financial year giving a true and fair view of the state of affairs of the Company and of the profit or loss of the Company. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001.

The directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these 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 circumstances.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern on the year ahead. They confirm that they have complied with the above requirements in preparing the financial statements.

#### **Auditors**

**Crowe Horwath** ATA have been appointed as auditors. They have indicated their willingness to continue in office as auditors until the next Annual Meeting of the Company.

**CERTIFICATE FROM THE SECRETARY UNDER SECTION 166 (d) OF THE MAURITIUS COMPANIES ACT 2001**

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We certify, to the best of our knowledge and belief, that **Barbeque Nation Holdings Pvt Ltd** (the "Company") has filed with the Registrar of Companies all such returns as are required of the Company under the Mauritius Companies Act 2001, for the period ended 31 March 2018.

*Glaicha*

.....  
**For Tri-Pro Administrators Ltd**  
Company Secretary  
Level 5, Maeva Tower  
Bank Street  
Cybercity  
Ebène  
Mauritius

Date: **19 MAY 2018**

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDER OF Barbeque Nation Holdings Pvt Ltd****Report on the audit of the financial statements**

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**Opinion**

We have audited the financial statements of **Barbeque Nation Holdings Pvt Ltd** set out on pages 8 to 22, which comprise the statements of financial position as at 31 March 2018, and the statement of profit or loss and comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2018, and its performance and cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Mauritius Companies Act 2001.

**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 *Auditors' 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) together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius and we have fulfilled other ethical responsibilities in accordance with the code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Emphasis of Matter*****Inherent uncertainty regarding going concern***

Without qualifying our opinion, attention is drawn to the following matter. Under the heading "Going Concern" in note 11, the directors state the going concern basis is appropriate in the preparation of the financial statements on the basis that the Company has the continued financial support of its shareholders until such time as it is able to function on a financially independent basis.

**INDEPENDENT AUDITORS' REPORT (CONTINUED)  
TO THE SHAREHOLDER OF Barbeque Nation Holdings Pvt Ltd**

**Report on the audit of the financial statements (Continued)**

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**Other information**

Directors is responsible for the other information. The other information comprises the commentary of directors, the company secretary's certificate, which we obtained prior to the date of this auditors' report. Other information does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the directors and those charged with governance for the financial statements**

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT (CONTINUED)  
TO THE SHAREHOLDER OF Barbeque Nation Holdings Pvt Ltd**

**Report on the audit of the financial statements (Continued)**

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**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit 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;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**INDEPENDENT AUDITORS' REPORT (CONTINUED)  
TO THE SHAREHOLDER OF Barbeque Holdings Pvt Ltd**

**Report on the audit of the financial statements (Continued)**

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**Report on other legal and regulatory requirements**

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

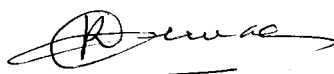
- We have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- We have obtained all the information and explanations that we required; and
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

**Use of this report**

This report is made solely for the Company's shareholder, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to the shareholder in our auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder as a body, for our audit work, for this report, or for the opinion we have formed.

*Crowe Horwath ATA*

**Crowe Horwath ATA**  
Public Accountants



**K.S. Sewraz, FCCA**  
Signing Partner  
Licensed by FRC

Date: 19 May 2018

Ebene, Mauritius

## Barbeque Nation Holdings Pvt Ltd

### Statement of profit or loss and other comprehensive income

*From the date of incorporation (15 September 2017) to 31 March 2018*

|  |      | Period from 15<br>September 2017<br>(date of<br>incorporation) to 31<br>March 2018<br>USD |
|--|------|---|
| <b>Revenue</b>   | Note | -   |
| <b>Expenses</b>  |      | -----   |
| Management fees  |      | 4,313   |
| Licence fees   |      | 1,505   |
| Incorporation fees   |      | 2,000   |
| Audit fees   |      | 2,875   |
| Legal and professional fees  |      | 687   |
| Travelling expenses  |      | 190   |
| Disbursements  |      | 1,160   |
|  |      | -----   |
| <b>Total operating expenses</b>                                    |      | 12,730  |
|  |      | -----   |
| <b>Loss before tax</b>   |      | (12,730)  |
| Income tax expense   | 4    | -   |
|  |      | -----   |
| <b>Loss for the period</b>   |      | (12,730)  |
| Items that will not be reclassified subsequently to profit or loss |      | -   |
| Items that may be reclassified subsequently to profit or loss      |      | -   |
|  |      | -----   |
| <b>Total comprehensive loss for the period</b>                     |      | (12,730)  |
|  |      | =====   |

The notes on pages 12 to 22 form part of these financial statements.

**Barbeque Nation Holdings Pvt Ltd**

**Statement of financial position**  
*as at 31 March 2018*

|                                   | Notes | 2018<br>USD         |
|-----------------------------------|-------|---------------------|
| <b>ASSETS</b>                     |       |                     |
| <b>Current assets</b>             |       |                     |
| Receivable from shareholder       | 8     | 1                   |
| Prepayments                       |       | 2,450               |
| <b>Total current assets</b>       |       | <u>2,451</u>        |
| <b>TOTAL ASSETS</b>               |       | <u><u>2,451</u></u> |
| <b>EQUITY AND LIABILITY</b>       |       |                     |
| <b>Equity</b>                     |       |                     |
| Stated capital                    | 5     | 1                   |
| Accumulated losses                |       | (12,730)            |
| <b>Total equity</b>               |       | <u>(12,729)</u>     |
| <b>Liability</b>                  |       |                     |
| <b>Current liability</b>          |       |                     |
| Other payables                    | 7     | 15,180              |
| <b>TOTAL EQUITY AND LIABILITY</b> |       | <u><u>2,451</u></u> |

Approved and authorised for issue by the Board of Directors on ..... **19 MAY 2018** ..... and  
signed on its behalf by:

.....  
*H. J. J. J.*  
Director

.....  
*V. J. J. J.*  
Director

The notes on pages 12 to 22 form part of these financial statements.

## Barbeque Nation Holdings Pvt Ltd

### Statement of changes in equity

*From the date of incorporation (15 September 2017) to 31 March 2018*

|                         | <b>Stated<br/>Capital<br/>USD</b> | <b>Accumulated<br/>losses<br/>USD</b> | <b>Total<br/>USD</b> |
|-------------------------|-----------------------------------|---------------------------------------|----------------------|
| Issue of shares         | 1                                 | -                                     | 1                    |
| Loss for the period     | -                                 | (12,730)                              | (12,730)             |
| <b>At 31 March 2018</b> | <b>1</b>                          | <b>(12,730)</b>                       | <b>(12,729)</b>      |

The notes on pages 12 to 22 form part of these financial statements.

## Barbeque Nation Holdings Pvt Ltd

### Statement of cash flows

From the date of incorporation (15 September 2017) to 31 March 2018

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Period from 15 September  
2017 (date of incorporation)  
to 31 March 2018

USD

#### Cash flows from operating activities

Loss before tax

(12,730)

*Adjustment for :*

Expenses paid on behalf of the Company

11,867

Change in prepayments

(2,450)

Change in other payables

3,313

**Net cash used in operating activities**

-

#### Cash flows from financing activity

Amount due from shareholder

-

**Net cash from financing activity**

-

**Net movement in cash and cash equivalents**

-

Cash and cash equivalents at start of period

-

**Cash and cash equivalents at end of period**

-

All the non cash transactions have been excluded for the statement of cashflows and disclosed separately in note 8.

The notes on pages 12 to 22 form part of these financial statements.

# Barbeque Nation Holdings Pvt Ltd

## Notes to and forming part of the financial statements

*From the date of incorporation (15 September 2017) to 31 March 2018*

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### 1. General information

Barbeque Nation Holdings Pvt Ltd (the “Company”) was incorporated as a private limited company in Mauritius on 15 September 2017 in accordance with the Mauritius Companies Act 2001. The Company holds a Category 1 Global Business Licence and is regulated by the Financial Services Commission. The Company’s registered office is at C/o Tri-Pro Administrators Ltd, Maeva Tower, Bank street, Cybercity, Ebene, Mauritius.

The principal activity of the Company is that of investment holding.

### 2. Basis of preparation

#### (a) *Statement of compliance*

The financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), which comprise of International Accounting Standards (IAS) and interpretations issued by IFRS Interpretations Committee approved by the International Accounting Standards Board (IASB) that remain in effect and in compliance with the Mauritius Companies Act 2001.

The financial statements have been prepared on the going concern basis which assumes that the Company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued support of the shareholders of the Company. The directors are of the opinion that this support will be forthcoming over the next twelve months. They, therefore, believe that it is appropriate for the financial statements to be prepared on a going concern basis.

#### (b) *Basis of measurement*

The financial statements have been prepared under the historical cost basis.

#### (c) *Functional and presentation currency*

The financial statements are presented in United States dollar (USD) which is the Company’s functional currency.

### 3. Significant accounting policies

The principal accounting policies adopted are as follows:

#### (a) *Revenue recognition*

Revenue is recognised on the following bases:

Dividend income is recognised when the shareholder’s right to receive payment is established.

#### (b) *Income tax expense*

Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in profit or loss.

## Barbeque Nation Holdings Pvt Ltd

### Notes to and forming part of the financial statements

From the date of incorporation (15 September 2017) to 31 March 2018

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#### 3. Significant accounting policies (continued)

##### (b) *Income tax expense (continued)*

###### Current tax

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of prior years.

###### Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

##### (c) *Expenses*

All expenses are recognised in the statement of profit or loss on an accrual basis.

##### (d) *Foreign currency transactions*

Transactions in foreign currencies are translated at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to United States dollar (USD) at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

## Barbeque Nation Holdings Pvt Ltd

### Notes to and forming part of the financial statements

*From the date of incorporation (15 September 2017) to 31 March 2018*

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#### 3. Significant accounting policies (continued)

(e) *Impairment of 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 grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(f) *Related parties*

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

(g) *Financial instruments*

Financial instruments carried on the statement of financial position consist of cash and cash equivalents, amount due to shareholder and accruals. The particular recognition methods are disclosed below:

*Cash and cash equivalents*

Cash comprises of cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

*Accruals*

Accruals are stated at cost.

*Amount due to shareholder*

Amount due to shareholder is recognised at proceeds received net of transaction costs.

(h) *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the net asset and settle the liability simultaneously.

(i) *Provisions*

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.



## Barbeque Nation Holdings Pvt Ltd

### Notes to and forming part of the financial statements

From the date of incorporation (15 September 2017) to 31 March 2018

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#### 3. Significant accounting policies (continued)

(j) *New and amended standards adopted by the Company*

The following standards have been adopted by the Company for the first time for the period beginning on 15 September 2017:

*Amendments to IAS 7 'Disclosure Initiative'*

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).

*Amendments to IAS 12 'Recognition of Deferred Tax Assets for Unrealised Losses'*

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of deductible temporary difference related to unrealised losses. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

*Annual Improvements Cycle -2014-2016 Amendments to IFRS 12 Disclosure of Interests in Other Entities: Clarification of the scope of disclosure requirements in IFRS 12.*

The amendments clarify that the disclosure requirements in IFRS 12, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale.

The application of the above amendments has had no material impact on the disclosures in the financial statements.

(k) *New standards, interpretations and amendments to existing standards in issue but not yet effective*

A number of new standards and amendments to standards and interpretation, that have been issued but are not yet effective up to the date of issuance of the Company's financial statements, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

*IFRS 9 'Financial Instruments'*

IFRS 9, 'Financial Instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income. For liabilities designated at fair value through profit or loss, IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

## Barbeque Nation Holdings Pvt Ltd

### Notes to and forming part of the financial statements

*From the date of incorporation (15 September 2017) to 31 March 2018*

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#### 3. Significant accounting policies (continued)

*(k) New standards, interpretations and amendments to existing standards in issue but not yet effective*

##### *IFRS 9 'Financial Instruments (Continued)*

Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 01 January 2018. Early adoption is permitted. The Company is yet to assess IFRS 9's full impact.

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

IFRS 15 'Revenue from Contracts with Customers', establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. It will supersede the following revenue standards and interpretations:

- IAS 18 Revenue
- IAS 11 Construction Contracts
- IFRIC 13 Customer loyalty
- IFRIC 15 Agreements for the construction of real estate
- IFRIC 18 Transfers of assets from customers
- SIC 31 Revenue - Barter transactions involving advertising services

IFRS 15 will only cover revenue arising from contracts with customers. Under IFRS 15, a customer of an entity is a party that has contracted with the entity to obtain goods or services that are an output of the entity's ordinary activities in exchange for consideration. Unlike the scope of IAS 18, the recognition and measurement of interest income and dividend income from debt and equity investments are no longer within the scope of IFRS 15. Instead, they are within the scope of IAS 39 Financial Instruments: Recognition and Measurement.

The new revenue standard has a single model to deal with revenue from contracts with customers. Its core principle is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Company intends to adopt IFRS 15 no later than the accounting period beginning on or after 01 January 2018.

##### *IFRIC 22 — Foreign Currency Transactions and Advance Consideration (effective for accounting periods beginning on or after 1 January 2018)*

IFRIC 22 clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency. The interpretation covers foreign currency transactions when an entity recognises a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognises the related asset, expense or income. It does not apply when an entity measures the related asset, expense or income on initial recognition at fair value or at the fair value of the consideration received or paid at a date other than the date of initial recognition of the non-monetary asset or non-monetary liability. Also, the interpretation need not be applied to income taxes, insurance contracts or reinsurance contracts. Earlier application is permitted.

## Barbeque Nation Holdings Pvt Ltd

### Notes to and forming part of the financial statements

From the date of incorporation (15 September 2017) to 31 March 2018

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#### 3. Significant accounting policies (continued)

(k) *New standards, interpretations and amendments to existing standards in issue but not yet effective (continued)*

*IFRIC 23 — Uncertainty over Income Tax Treatments (effective for accounting periods beginning on or after 1 January 2019)*

The interpretation clarifies the accounting for uncertainties in income taxes. It 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 whether tax treatments should be considered collectively, assumptions for taxation authorities' examinations, the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates and the effect of changes in facts and circumstances. Full retrospective application is permitted.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

#### 4. Taxation

The Company is subject to income tax in Mauritius at the rate of 15%. It is, however, entitled to a tax credit equivalent to the higher of the foreign tax paid or 80% of the Mauritian tax on its foreign source income. There has been no revenue and investment during the period ended 31 March 2018. Therefore, incorporation expenses incurred during the period have been disallowed for tax purposes.

*Recognised in the statement of profit or loss and other comprehensive income*

|  | <b>2018</b>     |
|--|-----------------|
|  | <b>USD</b>      |
| Current income tax                     | -               |
|  | =====           |
| <i>Reconciliation of effective tax</i> |                 |
|  | <b>2018</b>     |
|  | <b>USD</b>      |
| Loss before tax                        | <b>(12,730)</b> |
|  | -----           |
| Income tax at 15%                      | <b>(1,910)</b>  |
| Add: non-allowable expenses            | <b>300</b>      |
| Deferred tax asset                     | <b>1,610</b>    |
|  | -----           |
| Income tax payable                     | -               |
|  | =====           |

The tax loss is available for offset against future profits up to financial year ended 31 March 2023.

## Barbeque Nation Holdings Pvt Ltd

### Notes to and forming part of the financial statements

From the date of incorporation (15 September 2017) to 31 March 2018

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#### 5. Stated capital

|                                  | 2018<br>USD |
|----------------------------------|-------------|
| 1 Ordinary share of USD 1 at par | 1           |

The rights attaching to each ordinary share shall be as follows:

- (i) The right to vote on a poll for every share held at a meeting of the Company on any resolution;
- (ii) The right to an equal share in dividends authorized by the board;
- (iii) The right to an equal share in the distribution of the surplus assets of the Company.

#### 6. Critical accounting estimates and judgements

The Company makes estimates and judgements that affect the reported amounts of assets and liabilities within the next year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### *(a) Determination of functional currency*

The determination of functional currency of the Company is critical since recording of transactions and exchange differences arising are dependent on the functional currency selected. As described in note 3(c)(i), the directors have considered those factors therein and have determined that the functional currency of the Company is the USD.

##### *(b) Use of estimates and judgements*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

#### 7 Other payables

|                                    | 2018<br>USD |
|------------------------------------|-------------|
| Amount due to shareholder (Note 9) | 11,867      |
| Accruals                           | 3,313       |
|                                    | -----       |
|                                    | 15,180      |
|                                    | =====       |

The amount due to shareholder representing expenses paid by shareholder is unsecured, interest-free and is repayable on demand.

## Barbeque Nation Holdings Pvt Ltd

### Notes to and forming part of the financial statements

From the date of incorporation (15 September 2017) to 31 March 2018

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#### 8. Related party transaction

During the period under review, the Company transacted with a related entity. Details of the nature, volume of transactions and the balance with the related entity are as follows:

| <b>(i) Amount due to shareholder: Barbeque Nation Private Ltd</b> |                     |
|---|---------------------|
|   | <b>2018<br/>USD</b> |
| At start of period  | -                   |
| Expenses paid on behalf of the Company (Non-cash transaction)     | <b>11,867</b>       |
|   | -----               |
| At end of period (Note 7)   | <b>11,867</b>       |
|   | =====               |
| <br>  |                     |
| <b>(ii) Non- cash transactions</b>                                |                     |
|   | <b>2018<br/>USD</b> |
| The following non cash transactions occurred during the period    |                     |
| <b>Financing activities:</b>                                      |                     |
| Receivable from shareholder                                       | <b>(1)</b>          |
|   | =====               |
| Issue of shares   | <b>1</b>            |
|   | =====               |

#### 9. Financial instruments and associated risks

The Company has exposure to the following risk from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

The Board of directors has the overall responsibility for the determination of the Company's risk management objectives and policies. The Company's overall risk management policies focuses on the volatility of financial markets and seeks to minimise potential adverse effects on the Company's financial performance and flexibility.

The Company's financial instruments comprise of cash and cash equivalents, accruals and amount due to shareholder.

##### *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

## Barbeque Nation Holdings Pvt Ltd

### Notes to and forming part of the financial statements

From the date of incorporation (15 September 2017) to 31 March 2018

#### 9. Financial instruments and associated risks (continued)

##### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not subject to interest rate risk as its financial assets and liabilities are non-interest earning/ bearing.

##### Currency risk

Currency risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in foreign exchange rate. The Company is not subject to currency risk as the Company's financial assets and liabilities are denominated in its functional currency, the USD.

##### Credit risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company, resulting in financial loss to the Company. The Company's credit risk arises from cash and cash equivalents. The Company's policy is to maintain its cash balance with reputed banking institutions and to monitor the placement of cash balances on an ongoing basis.

At the reporting date, the Company was not exposure to any credit risk.

##### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity management is overseen by the directors who ensure that necessary funds are available at all times to meet commitments. The Company's obligations are paid by shareholder.

The following are the contractual maturities of financial liabilities:

|                                    | Due on<br>demand<br>USD | Due more<br>than one year<br>USD | Due less than<br>one year<br>USD | Total<br>USD  |
|------------------------------------|-------------------------|----------------------------------|----------------------------------|---------------|
| <b>31 March 2018</b>               |                         |                                  |                                  |               |
| <b>Financial liabilities</b>       |                         |                                  |                                  |               |
| Amount due to shareholder          | 11,867                  | -                                | -                                | 11,867        |
| Accruals                           | -                       | -                                | 3,313                            | 3,313         |
| <b>Total financial liabilities</b> | <b>11,867</b>           | <b>-</b>                         | <b>3,313</b>                     | <b>15,180</b> |

##### Fair values

The management assessed that the fair values of accruals, cash and cash equivalent and amount due to shareholder approximate their carrying amounts largely due to the short-term maturities of these instruments.

## **Barbeque Nation Holdings Pvt Ltd**

### **Notes to and forming part of the financial statements**

*From the date of incorporation (15 September 2017) to 31 March 2018*

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#### **10. Capital risk management**

The Company's primary objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Company defines "capital" as including all components of equity. The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the Company. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company. The results of the directors' review of the Company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

##### *Internally imposed capital requirements*

The Company's objectives when managing capital are:

- to provide an adequate return to shareholders by pricing services commensurate with the level of risk;
- to comply with the capital requirements set out by the regulators;
- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to maintain a strong asset base to support the development of business.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. 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. The Company does not have any external debts and therefore, consistently with others in the industry, the Company is not required to monitor its capital on the basis of the gearing ratio. There has not been any change in the way the Company manages its capital.

##### *Externally imposed capital requirements*

The Company is not exposed to any externally imposed capital requirements.

#### **11. Going concern**

The Company has incurred a loss amounting to USD 12,730 for the period ended 31 March 2018 and as at that date, its total liabilities exceeded its total assets by USD 12,729. The shareholder of the Company has confirmed that it will continue to provide financial support to the Company to enable it meet its obligations as they fall due. Accordingly, the financial statements have been prepared on a going concern basis.

#### **12. Fair value measurement**

The fair value measurement of the Company's financial and non-financial assets and liabilities utilised market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

Level 1: Quoted prices in active markets for identical items (unadjusted);

Level 2: Observable direct or indirect inputs other than Level 1 inputs; and

Level 3: Unobservable inputs (i.e. not derived from market data).

## Barbeque Nation Holdings Pvt Ltd

### Notes to and forming part of the financial statements

From the date of incorporation (15 September 2017) to 31 March 2018

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#### 12. Fair value measurement (Continued)

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The following tables set out the fair values of assets and liabilities that are analysed by the level in the fair value hierarchy into which each fair value measurement is categorised:

| 2018                        | Level 1<br>USD | Level 2<br>USD | Level 3<br>USD | Total<br>USD  |
|-----------------------------|----------------|----------------|----------------|---------------|
| <b>Assets</b>               |                |                |                |               |
| Receivable from shareholder | -              | -              | 1              | 1             |
| <b>Total</b>                | <b>-</b>       | <b>-</b>       | <b>1</b>       | <b>1</b>      |
| <b>Liability</b>            |                |                |                |               |
| Amount due to shareholder   |                |                | 11,867         | 11,867        |
| Accruals                    |                |                | 3,313          | 3,313         |
|                             |                |                | <b>15,180</b>  | <b>15,180</b> |

#### 13. Holding and ultimate holding company

The directors consider Barbeque Nation Hospitality Limited, a Company incorporated in India as the Company's holding company.

#### 14. Events after the reporting period

There have been no material events after the reporting date which would require disclosure or adjustments to the financial statements for the period ended 31 March 2018.

#### 15. Comparatives

The Company's financial statements cover the period from 15 September 2017 (date of incorporation) to 31 March 2018. There are no comparatives as these are the first set of financial statements of the Company.