

Report of Factual Findings in Connection with agreed-upon procedures assignment related to translated financials

To,

The Board of Directors

Barbeque-Nation Hospitality Limited
Survey No. 62, Site No. 13, 6th cross, NS Palaya,
BTM Layout, Bengaluru – 560 076.

We have performed the procedures agreed with you and enumerated below with respect to the Translated Financial Information (referred to as 'INR Financial Information') of Barbeque Nation International LLC (Oman), ('Company' or 'Barbeque Oman') as at and for the year ended 31 March 2019, annexed to this report. Our engagement was undertaken in accordance with the Standard on Related Services (SRS) 4400, "Engagements to Perform Agreed-upon Procedures regarding Financial Information", issued by the Institute of Chartered Accountants of India. The procedures were performed solely to assist you in evaluating the validity of the INR Financial Information of the Company and are summarized as follows:

1. We obtained the standalone audited financials and the INR Financial Information of the Company as at and for the year ended 31 March 2019 and compared the AED balances considered for preparation of INR Financial Information with the standalone audited financials of the Company.
2. We compared the AED to INR exchange rates considered for translation of AED balances to INR with the sources data.
3. We verified the translation of AED balances to INR are in accordance with the Indian Accounting Standard 21 'The Effects of Changes in Foreign Exchange Rates' (Ind AS 21).

The management of the Barbeque-Nation Hospitality Limited, India ('Barbeque-Nation', the ultimate holding company) are responsible for preparation of the INR Financial Information in accordance with para 11(I)(A)(ii), Part A, Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 ('SECI ICDR 2018') and in accordance with Ind AS 21. Our responsibility is to perform above mentioned agreed upon procedures and to report our factual findings based on those procedures.

We report our finding below:

- (a) With respect to item 1 above, we found that the AED balances considered for preparation of INR Financial Information as at and for the year ended 31 March 2019 are in agreement with the standalone audited financials of the Company.
- (b) With respect to item 2 above, we found AED to INR exchange rates considered for translation of AED balances to INR are in agreement with the source data.
- (c) With respect to item 3, we found translation of AED balances to INR are in accordance with Ind AS 21.

Because the above procedures do not constitute either an audit or a review made in accordance with the generally accepted auditing standards in India, we do not express any assurance on the INR Financial Information of the Company. Had we performed additional procedures or had we performed an audit or review of the INR Financial Information in accordance with the generally accepted auditing standards in India, other matters might have come to our attention that would have been reported to you.



S G M & Associates LLP

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. These INR Financial Information is intended solely for the use of the management of Barbeque-Nation for uploading on their website in connection with the proposed Initial Public Offer of equity shares of Barbeque-Nation. Our report should not be used or referred to or distributed for any other purpose without our consent in writing.

For **S G M & Associates LLP**
Chartered Accountants
(LLP Registration No. S200058)



S Vishwamurthy

S Vishwamurthy
Partner

Membership No. 215675

Bengaluru, 28 January 2021
UDIN: 21215675AAAAAC8217

Barbeque Nation International LLC - Oman

Special Purpose Standalone Balance Sheet as at 31 March 2019

(Amount in Rupees, except for shares data or as otherwise stated)

Particulars as at	Note No.	31-Mar-2019
ASSETS		
Non-current assets		
Capital work-in-progress	3	4,96,91,525
Total Non-current assets [A]		4,96,91,525
Current assets		
Financial assets		
Cash and cash equivalents	4	2,98,158
Other current assets	5	2,97,00,363
Total current assets [B]		2,99,98,521
Total assets [A+B]		7,96,90,046
EQUITY AND LIABILITIES		
Equity		
Equity share capital	6	2,69,74,500
Other equity	7	(11,98,387)
Equity attributable to owners of the Company [C]		2,57,76,113
Liabilities		
Non-current liabilities		
Financial Liabilities		
Borrowings	8	3,38,38,611
Total Non-current liabilities [D]		3,38,38,611
Current liabilities		
Financial Liabilities		
Trade payables	9	2,00,75,322
Total current liabilities [E]		2,00,75,322
Total liabilities [F= [D+E]]		5,39,13,933
Total equity and liabilities [F+C]		7,96,90,046

See accompanying notes forming part of the special purpose standalone financial statements



Barbeque Nation International LLC - Oman

Special Purpose Standalone Statement of Profit and Loss for the period ended 31 March 2019

(Amount in Rupees, except for shares data or as otherwise stated)

Particulars for the period ended	Note No.	31-Mar-2019
REVENUE		
Revenue from operations		-
Total (A)		-
Expenses		
Other operating expenses	10	11,98,387
Total (B)		11,98,387
Earnings before exceptional items, finance costs, depreciation and amortisation (EBITDA) (C) = (A-B)		(11,98,387)
Finance costs (D)		-
Depreciation expense (E)		-
Loss before tax and exceptional items (F) = (C-D-E)		(11,98,387)
Exceptional items (G)		-
Loss before tax (H) = (F-G)		(11,98,387)
Tax expense / (benefit):		
Current tax		-
Deferred tax		-
Net tax expense / (benefit) (I)		-
Net Loss for the period (J) = (H-I)		(11,98,387)
Other Comprehensive Income / (Losses) (K)		
Items that will not be reclassified to Statement of Loss and loss		
Remeasurements of the defined benefit plans		-
Income tax on the above		-
Total comprehensive income for the period (J + K)		(11,98,387)

See accompanying notes forming part of the special purpose standalone financial statements



Barbeque Nation International LLC - Oman

Special Purpose Standalone Statement of changes in equity

(Amount in Rupees, except for shares data or as otherwise stated)

Particulars as at	Share capital	Foreign currency translation	Retained earnings	Total
As at 01 April 2018	-	-	-	-
Effect of increase in share capital	2,69,74,500	-	-	2,69,74,500
Adjustment arising on account of change in accounting policy	-	-	-	-
Loss for the year	-	-	(11,98,387)	(11,98,387)
Exchange	-	-	-	-
As at 31 March 2019	2,69,74,500	-	(11,98,387)	2,57,76,113

See accompanying notes forming part of the special purpose standalone financial statements



Barbeque Nation International LLC - Oman

Special Purpose Standalone Statement of Cashflow for the period ended 31 March 2019

(Amount in Rupees, except for shares data or as otherwise stated)

Particulars for the year ended	31-Mar-2019
Cashflows from operating activities	
Loss for the year	(11,98,387)
Depreciation	-
Operating loss before working capital changes	(11,98,387)
Changes in other receivables and prepayments	(2,84,36,697)
Changes in accruals and other payables	1,94,85,331
Net cash used in operating activities	(1,01,49,753)
Cashflows from investing activities	
Purchase of property, plant and equipments (including capital work-in-progress) (net)	(4,85,77,972)
Net cash used in investing activities	(4,85,77,972)
Cashflow from financing activities	
Proceeds from issue of shares	2,61,81,750
Proceeds from loan from shareholders	3,28,44,133
Net cash flow from financing activities	5,90,25,883
Net changes in cash and cash equivalents	2,98,158
Cash and cash equivalents at beginning of the year	-
Cash and cash equivalents at end of the year	2,98,158

See accompanying notes forming part of the special purpose standalone financial statements



Barbeque Nation International LLC - Oman

Notes forming part of special purpose standalone financial statements

(Amount in Rupees, except for shares data or as otherwise stated)

Note**No.****1 Corporate information**

Barbeque Nation International LLC - Oman (Company) is a limited liability company registered under the Commercial Law of the Sultanate of Oman on 18 February 2018. The Company is engaged setting up and operating restaurant.

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

The audited financials statements of the Company as at and for the year ended 31 March 2019 were prepared on historical cost convention and in accordance with International Financial Reporting Standards [IFRS] and the requirement of the Oman Commercial Company Law 1974, as amended.

The management of Barbeque-Nation Hospitality Limited ('BBQ-Nation', the ultimate holding company of the Company), have prepared these special purpose standalone financial statements in accordance with para 11(I)(A)(ii), Part A, Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 ('SECI ICDR 2018') and in accordance with Indian Accounting Standard 21 'The Effects of Changes in Foreign Exchange Rates' (Ind AS 21).

The Company's functional currency is Omani Rial (RO) and these special purpose standalone financial statements are presented in Indian Rupees (INR) ('INR Financials'). The results and financial position of the Company have been translated to INR using the following procedures:

- (i) assets and liabilities for each balance sheet presented (including comparatives) are translated at the closing rate at date of that balance sheet;
- (ii) income and expenses for each statement of profit and loss presented (including comparatives) are translated at average exchange rates for those periods; and
- (iii) all resulting exchange difference are recognised in 'Other comprehensive income'.

RO / INR conversion rates considered for translation

Exchange rates for*	31-Mar-2019
- assets and liabilities	179.83
- income and expenses	174.55

* exchange rates taken from the data available in the public domain

Refer the audited financials statement of the Company as on and for the year ended 31 March 2019 for accounting policy and other details.



Barbeque Nation International LLC - Oman

Notes forming part of special purpose standalone financial statements

(Amount in Rupees, except for shares data or as otherwise stated)

Note

No.

3 Capital work-in-progress

Particulars as at	31-Mar-2019
Capital work-in-progress	4,96,91,525
Total	4,97,35,080

4 Cash and cash equivalents

Particulars as at	31-Mar-2019
Cash-in-hand	-
In current account	2,98,158
Total	2,98,158

5 Other current assets

Particulars as at	31-Mar-2019
Advance to suppliers	1,55,40,729
Due from related parties	1,37,56,995
Total	2,97,00,363

6 Equity share capital

Particulars as at	31-Mar-2019
Authorised capital	
150,000 shares of AED 100 each	2,69,74,500
Issued, subscribed and paid-up capital	
150,000 shares of AED 100 each	2,69,74,500
Total	2,69,74,500

7 Other equity

Particulars as at	31-Mar-2019
Retained earnings	
Opening balance	-
Total comprehensive loss for the year	(11,98,387)
Closing balance	(11,98,387)

8 Borrowings

Particulars as at	31-Mar-2019
Non-current	
Long-term loan from related parties	3,38,38,611
Total	3,38,38,611

9 Trade payables

Particulars as at	31-Mar-2019
Trade payables	2,00,75,322
Total	2,00,75,322

10 Other operating expenses

Particulars for the year ended	31-Mar-2019
Other expenses	3,25,662
Total	3,25,662

11 Contingent liability and capital commitment

Particulars for the year ended	31-Mar-2019
Contingent liability	-
Capital commitment	-



Barbeque Nation International LLC - Oman

Notes forming part of special purpose standalone financial statements
(Amount in Rupees, except for shares data or as otherwise stated)

Note**No.****12 Related party transactions****A List of related parties**

Ultimated holding company	Barbeque-Nation Hospitality Limited, India
Holding company	Barbeque Nation Mena Holding Limited, U.A.E

B Transactions with related parties

Particulars for the period ended	Holding company	Ultimated holding company	31-Mar-2019
Expenses			
Interest on loan from related parties	-	-	-

C Balances with related parties as at

	Holding company		31-Mar-2019
Loan from shareholder (non-current)	3,38,38,611	-	3,38,38,611



**BARBEQUE NATION
INTERNATIONAL L.L.C. - OMAN
FINANCIAL STATEMENTS
31 MARCH 2019**

H. C. Shah



شاه للتدقيق اتش. سي. شاه

Chartered Accountants

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محاسبون قانونيون

P.O. Box 2508, Ruwi, P.C. 112, Sultanate of Oman - Tel.:24707654, 24786151, 24786651, Fax : 24786751
E-mail : biztools@omantel.net.om, audit@hcshah.co, Website : hcshah.co C.R. No. MH/145/2015

Ref: 8709

Date: 19 May 2019

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN which comprise the statement of financial position as at 31 MARCH 2019 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 2 to 10.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 MARCH 2019, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of the Management

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and the disclosure requirements of the Oman Companies Law 1974, as amended, 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. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

H. C. SHAH
CHARTERED ACCOUNTANTS



BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2019**

	NOTE	31-03-2019 R.O.
ASSETS		
Non Current Assets		
Capital Work-in-Progress		276,325
Pre-Operative Expenses		<u>2,239</u>
		<u>278,564</u>
Current Assets		
Due from Member		76,500
Accounts Receivable	3.	86,419
Bank Balances and Cash	4.	<u>1,658</u>
		<u>164,577</u>
TOTAL ASSETS		
	R.O.	<u>443,141</u>
EQUITY AND LIABILITIES		
Members' Equity		
Share Capital	5.	150,000
Retained Earnings		(6,664)
Members' Accounts		<u>188,170</u>
		<u>331,506</u>
NON CURRENT LIABILITIES		
Staff Terminal Benefits		--
		<u>0</u>
Current Liabilities		
Accounts Payable and Provisions	6.	<u>111,635</u>
		<u>111,635</u>
TOTAL EQUITY AND LIABILITIES		
	R.O.	<u>443,141</u>

The notes on pages 6 to 10 form part of these financial statements

Auditor:

Authorised Signatory:



BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2019

	NOTE	18-02-2018 TO 31-03-2019 R.O.
Revenue		--
Cost of Turnover		<u>--</u>
Gross Profit		-
Administrative & General Expenses	9.	<u>(6,664)</u>
Profit before Depreciation		(6,664)
Depreciation		-----
Net (Loss) / Profit for the Period	R.O.	(6,664) =====

The notes on pages 6 to 10 form part of these financial statements

Auditor:

Authorised Signatory:



BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019**

	Share Capital R.O.	Retained Earnings R.O.	Members' Current A/cs R.O.	Total R.O.
Period to 31 March 2019				
Capital Introduced	150,000	--		150,000
Net Movement in Current A/cs			188,170	188,170
Net Profit for the year	--	(6,664)	--	(6,664)
	-----	-----	-----	-----
At 31 March 2019 R.O.	150,000	(6,664)	188,170	331,506
	=====	=====	=====	=====

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Auditor:

Authorised Signatory:



BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2019**

31-03-2019

R.O.

1. Cash Flow from Operating Activities		
a) Net (Loss) for the period		(6,664)
Add: Non - Cash charges - Depreciation		0
Operating (Loss) / Profit before changes in Working Capital		<u>(6,664)</u>
b) Changes in Working Capital		
Decrease / (Increase) in Accounts Receivable		(86,419)
Increase / (Decrease) in Accounts Payable		111,635
Due from Member		<u>(76,500)</u>
Net Changes in Working Capital		<u>(51,284)</u>
Net Cash Flow (used in) / from Operating Activities (A)	1a - 1b	<u>(57,948)</u>
2. Cash Flow from Investing Activities		
a) Capital Work-in-Progress		(276,325)
b) Pre-operative Expenses		<u>(2,239)</u>
Net Cash (used in) / from Investing Activities (B)	2a	<u>(278,564)</u>
3. Cash Flow from Financing Activities		
a) Share Capital Introduced		150,000
b) Members' Current Account		<u>188,170</u>
Net Cash (used in) / from Financing Activities (C)	3a - 3b	<u>338,170</u>
Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)		1,658
Cash and Cash equivalents at the beginning of the period		--
Cash and Cash equivalents at the end of the period		<u>1,658</u>
		=====
COMPRISING OF:		
1. Bank Balances		1,658

		R.O. 1,658
		=====

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Auditor:

Authorised Signatory:



BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019

1. LEGAL STATUS AND ACTIVITIES:

Barbeque Nation International LLC. is a Limited Liability Company with CR NO.1313912 registered under the Commercial Law of the Sultanate of Oman on 18 February 2018. The company is engaged in the Resaurant business. As on 31 March 2019, the company is yet to start the commerical operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to each of the years presented in the financial statements, unless otherwise stated.

2.1 BASIS OF PREPARATION:

a. These financial statements are prepared on the historical cost convention and in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Oman Commercial Companies Law 1974, as amended. The financial statements have been presented in Omani Rial ("R.O.").

b. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The areas where accounting assumptions and estimates are significant to the financial statements are disclosed in the accounting policies and notes to the financial statements.

c. *Standards and Amendments effective in 2018 and relevant for the company's operation :*

For the year ended 31 march 2019, the company has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for the periods beginning on 1 January 2018.

d. *Standards, Amendments and Interpretations to existing standards that are not yet effective and have not been early adopted by the company :*

The following Standards, Amendments & Interpretations to the existing Standards have been published and are mandatory for the companies accounting period beginning on or after 01 January 2019 or later periods, but the company has not early adopted them and the impact of these standards and interpretations can not be reasonably estimated as at 31 March 2019.

IFRS 16 Leases (effective on or after 1 January 2019).

IFRS 17 - Insurance Contracts (effective on or after 1 January 2021)

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BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019****2.2 IFRS ADOPTED AND CHANGES IN ACCOUNTING POLICIES****IFRS 9: FINANCIAL INSTRUMENTS**

The International Accounting Standards Board (IASB) issued a new International Financial Reporting Standard IFRS 9: 'Financial Instruments' effective for annual periods beginning on or after 1 January 2018, which replaced the existing International Accounting Standard 39 'Financial Instruments: Recognition and Measurement'.

The requirements of IFRS 9 represent a significant change from IAS 39 Financial Instruments: Recognition and Measurement. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities. The key changes to the Company's accounting policies resulting from its adoption of IFRS 9 are summarised below:

Classification of financial assets

To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. The IAS 39 measurement categories of financial assets (fair value through profit or loss (FVTPL), available for sale (AFS), held-to-maturity and amortised cost) have been replaced by:

- Financial assets carried at amortised cost;
- Financial assets carried at fair value through other comprehensive income (FVOCI); and
- Financial assets carried at fair value through profit or loss (FVTPL)

Impairment of financial assets

The adoption of IFRS 9 has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Company to record an allowance for ECLs for all debt financial assets not held at FVTPL. The Company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience as adjusted for forward-looking factors.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive.

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company may consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

Transition

The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies.

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BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)****IFRS 15: REVENUE FROM CONTRACTS WITH CUSTOMERS**

IFRS 15 outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue guidance, which is found currently across several Standards and Interpretations within IFRS. It established a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The key changes to the Company's accounting policies resulting from its adoption of IFRS 15 are summarised below:

Income from operations

Income from operations represents sale of goods in normal course of business and is recognised at a point in time when the performance obligation is satisfied and is based on the amount of the transaction price that is allocated to the performance obligation. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer.

The consideration expected by the Company may include fixed or variable amounts which can be impacted by sales returns, trade discounts and volume rebates. Income from operations is recognized when control of the asset is transferred to the buyer and only when it is highly probable that a significant reversal of revenue will not occur when uncertainties related to a variable consideration are resolved.

Transfer of control varies depending on the individual terms of the contract of sale. Revenue from transactions that have distinct goods or services are accounted for separately based on their stand-alone selling prices. A variable consideration is recognised to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

For products for which a right of return exists during a defined period, revenue recognition is determined based on the historical pattern of actual returns, or in cases where such information is not available, revenue recognition is postponed until the return period has lapsed.

Transition

The Company's adoption of IFRS 15 under modified retrospective method had no impact on the financial statements of the Company.

2.3 CAPITAL WORK-IN-PROGRESS:

Capital work-in-progress is carried at cost, less any recognised impairment losses, if any. When commissioned, capital work-in-progress is transferred to the appropriate categories of property, plant and equipment and depreciated in accordance with depreciation policies

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BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)****2.4 ACCOUNTS PAYABLE AND PROVISIONS:**

Liabilities are recognised for amounts to be paid for goods and services rendered during the year ended 31 March 2019, whether or not billed to the company.

Provisions are recognised when the company has an obligation arising from past events, and the cost to settle the obligation are both probable and able to be reliably measured.

2.5 FAIR VALUE OF FINANCIAL INSTRUMENTS:

Financial instruments comprise of financial assets and liabilities. Financial assets consist of bank balances related party dues and receivables. Financial liabilities consist of payables. The fair value of financial instruments is not significantly different from their carrying values.

2.6 LEASES:

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are operating leases. Operating lease payments are recognized as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

2.7 FOREIGN CURRENCY:

Foreign currency transactions are translated into Rials Omani at the exchange rates prevailing on the transaction date. Foreign currency assets and liabilities are translated into Rials Omani at the exchange rates prevailing at the statement of financial position date. Differences on exchange are dealt with in the statement of comprehensive income as they arise.

2.8 RISK MANAGEMENT:

The Company has exposure to credit risk, liquidity risk and market risk in its normal course of business.

- a. Credit risk: Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial contract fails to meet the contractual obligations. The exposure to credit risk is monitored on an ongoing basis by the management and these amounts are considered recoverable by the Company's management.
- b. Liquidity risk: Liquidity risk is the risk that the Company can default in meeting the obligations associated with its financial liabilities. The Company assures 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.
- c. Market risk: Market risk is the risk that changes in market prices, such as foreign currency rates and interest rates 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 optimizing the return on risk.

2.9 PREVIOUS YEARS'S FIGURES:

Previous period's figures have not been incorporated as it is the first financial period of the company.

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BARBEQUE NATION INTERNATIONAL L.L.C. - OMAN**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019 (CONTD.)**

		31-03-2019
		R.O.
3. ACCOUNTS RECEIVABLE		
Deposits		19,000
Staff Advances		25
Advance to Vendors		<u>67,394</u>
	R.O.	<u>86,419</u>
4. BANK BALANCES AND CASH		
Current Accounts		1,658
	R.O.	<u>1,658</u>
5. SHARE CAPITAL		
The Company's Registered Share Capital comprises of 150,000 Ordinary Shares of R.O. 1/- each.		
The shareholders at 31 March 2019 are as follows:		
Name of the Shareholders	Holding %	
Greenland Development Trading	51	76,500
Barbeque Nation Mena Holdings Ltd.	49	<u>73,500</u>
	R.O.	<u>150,000</u>
6. ACCOUNTS PAYABLE AND PROVISIONS		
Sundry Creditors for Purchases		110,494
Accrued Expenses		<u>1,141</u>
	R.O.	<u>111,635</u>
9. ADMINISTRATIVE AND GENERAL EXPENSES		
Rent		5,000
Travelling & Conveyance		540
Legal & Professional Fees		400
Establishment Expenses		315
Bank & Finance Charges		12
Miscellaneous Expenses		<u>397</u>
	R.O.	<u>6,664</u>

