

CALLISTUS BLINDS MIDDLE EAST FZC

SAIF ZONE, SHARJAH - UAE

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020**

Sharjah : Tel: 5536856, Fax : 5537865, P.O. Box: 21216, U. A. E.

Sharjah : SAIF Zone, P.O. Box 122171, U.A.E

Ministry of Economy & Planning Reg. No. 216

الشارقة: هاتف: ٥٥٣٦٨٥٦، فاكس: ٥٥٣٧٨٦٥، ص.ب: ٢١٢١٦، أ.ع.م.
الشارقة: المنطقة الحرة لمطار الشارقة الدولي، ص.ب: ١٢٢١٧١، أ.ع.م.
سجل المحاسبين والمراجعين رقم ٢١٦ لدى وزارة الاقتصاد والتخطيط

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CALLISTUS BLINDS MIDDLE EAST FZC

SAIF ZONE, SHARJAH - UAE

**FINANCIAL STATEMENTS AND
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FOR THE YEAR ENDED DECEMBER 31, 2020**

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INDEPENDENT AUDITOR'S REPORT

To
The Shareholders'
CALLISTUS BLINDS MIDDLE EAST FZC
Saif Zone, Sharjah – UAE.

Report on the Audit of the Financial Statement

Opinion

We have audited the financial statements of **CALLISTUS BLINDS MIDDLE EAST FZC** (the "Free Zone Company with Limited Liability"), which comprise the balance sheet as at December 31, 2020 and the statements of income, statements of changes in Shareholders' equity statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of **CALLISTUS BLINDS MIDDLE EAST FZC** as at December 31, 2020 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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

Other Matter

We didn't conduct any tax audit separately but relied on the management confirmation with respect to output and input tax declared in the VAT return submitted by the entity to the Federal Tax Authority. Our scrutiny and verification limited in few sample checking to ensure a peripheral assessment.

Responsibilities of the Management and the Board of Directors for the financial statements

The Management and the Board of Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the IASB, and for such internal control as the Board of Directors 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, the Management and the Board of 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Management and the Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's 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 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.

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Report on the Audit of the Financial Statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 Management and the Board of Directors.
- Conclude on the appropriateness of the Management and the Board of 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 the attention in our auditor's report 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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 a true and fair view.

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

Report on Other Legal and Regulatory Requirements

We also confirm that, in our opinion, the financial statements include in all material respects, the applicable provisions of Emiri Decree No.2 of 1995 Company of Sharjah Airport Free Zone in Sharjah and rules and regulations stated in the said Emiri Decree or enacted from time to time by the Government of Sharjah and the articles of association of the Company; proper books of account have been kept by the Company and the contents of the report of the Board of Directors relating to these financial statement are consistent with the books of account. We have obtained all the information and explanations which we required for the purpose of our audit and, to the best of our knowledge and belief, no violation of the provisions of Emiri Decree No.2 of 1995 Company of Sharjah Airport Free Zone in Sharjah and rules and regulations stated in the said Emiri Decree or enacted from time to time by the Government of Sharjah and the articles of association of the Company have occurred during the year which would have a material effect on the business of the Company or on its financial position.

Notes 1 to 13 to the financial statements form an integral part of our report.

**For Al Basha Accounting and Auditing
Chartered Accountants**

Dr. Mohammad Houssein Al Jeroudy
Managing Director

Reg. No. 216
Sharjah, 28th March, 2021.



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CALLISTUS BLINDS MIDDLE EAST FZC
SAIF ZONE, SHARJAH - UAE

BALANCE SHEET AS AT DECEMBER 31, 2020

<u>ASSETS</u>	note	2020 Dhs.	2019 Dhs.
<u>Non-Current Assets</u>			
Property, Plant and Equipments		2,807,036	2,302,211
Total Non-Current Assets		<u>2,807,036</u>	<u>2,302,211</u>
<u>Current Assets</u>			
Cash and Cash Equivalents	4	152,202	42,169
Accounts Receivables	5	1,131,197	874,429
Deposits, Advances & Prepayments	6	666,474	763,053
Inventory		4,463,685	3,057,236
Total Current Assets		<u>6,413,558</u>	<u>4,736,887</u>
TOTAL ASSETS		<u>9,220,594</u>	<u>7,039,098</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
<u>Current Liabilities</u>			
Accounts Payables	7	4,749,928	2,806,015
Accruals & Provisions	8	144,785	69,694
Total Current Liabilities		<u>4,894,713</u>	<u>2,875,709</u>
TOTAL LIABILITIES		<u>4,894,713</u>	<u>2,875,709</u>
<u>Shareholders' Equity</u>			
Share Capital	2	5,550,000	5,550,000
Statutory Reserve A/c		26,249	-
Retained Earnings	9	(528,269)	(764,512)
Shareholders' Current Account	10	(722,099)	(622,099)
Total Shareholders' Equity		<u>4,325,881</u>	<u>4,163,389</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>9,220,594</u>	<u>7,039,098</u>

The financial statements on pages 3 to 13 were approved on 27th March, 2021 and signed on its behalf by:



(Managing Director)

Bhuniha Shah

CALLISTUS BLINDS MIDDLE EAST FZC
SAIF ZONE, SHARJAH - UAE

STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020

	note	01.01.2020 to 31.12.2020 Dhs.	23.09.2018 to 31.12.2019 Dhs.
<u>REVENUE</u>			
Net Revenue	11	4,810,313	2,508,539
Less: Cost of Revenue	12	(3,489,083)	(2,702,988)
Gross Profit		1,321,230	(194,449)
Other Income		9,465	1,276
		<u>1,330,695</u>	<u>(193,173)</u>
<u>DEDUCT</u>			
General & Administration Expenses	13	(1,041,214)	(540,378)
Financial Charges		(6,949)	(4,426)
Loss on Exchange Rate Fluctuation		(1,717)	-
Loss on Sale of Fixed Assets		(18,323)	(26,535)
		<u>(1,068,203)</u>	<u>(571,339)</u>
Net Profit / (Loss) for the year c/f		<u>262,492</u>	<u>(764,512)</u>

The financial statements on pages 3 to 13 were approved on 27th March, 2021 and signed on its behalf by:

(Managing Director)



P.O.Box 120723
Sharjah - U.A.E.

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CALLISTUS BLINDS MIDDLE EAST FZC
SAIF ZONE, SHARJAH - UAE

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020

	Capital Dhs.	Statutory Reserve A/c Dhs.	Retained Earnings Dhs.	Shareholders' Current A/c Dhs.	Total Dhs.
Changes in Shareholders' Equity					
Capital Introduced	5,550,000	-	-	-	5,550,000
Net Profit / (Loss) for the period	-	-	(764,512)	-	(764,512)
Net movements during the period	-	-	-	(622,099)	(622,099)
Balance as at December 31, 2019	5,550,000	-	(764,512)	(622,099)	4,163,389
Net Profit / (Loss) for the year	-	-	262,492	-	262,492
Transferred to Statutory Reserve A/c	-	26,249	(26,249)	-	-
Net movements during the year	-	-	-	(100,000)	(100,000)
Balance as at December 31, 2020	5,550,000	26,249	(528,269)	(722,099)	4,325,881

The financial statements on pages 3 to 13 were approved on 27th March, 2021 and signed on its behalf by:

(Managing Director)





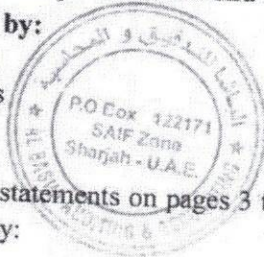
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CALLISTUS BLINDS MIDDLE EAST FZC
SAIF ZONE, SHARJAH - UAE

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2020

	01.01.2020 to 31.12.2020 Dhs.	23.09.2018 to 31.12.2019 Dhs.
Cash flows from operating activities :		
Net Profit / (Loss) for the year	262,492	(764,512)
Adjustments for :		
Depreciation	-	-
	262,492	(764,512)
Changes in operating Assets and Liabilities :		
(Increase)/Decrease in Accounts Receivables	(256,768)	(874,429)
(Increase)/Decrease in Deposits, Advances & Prepayments	96,579	(763,053)
(Increase)/Decrease in Inventory	(1,406,449)	(3,057,236)
(Decrease)/Increase in Accounts Payables	1,943,913	2,806,015
(Decrease)/Increase in Accruals and Provisions	75,091	69,694
Net Cash inflow/(outflow) from operating activities	714,858	(2,583,521)
Cash flows from Investing activities :		
Acquisition of Fixed Assets	(504,825)	(2,302,211)
Net Cash inflow /(outflow) from Investing activities	(504,825)	(2,302,211)
Cash flows from financing activities :		
Capital Introduced	-	5,550,000
Net movement in Shareholders' Current Account	(100,000)	(622,099)
Net Cash inflow /(outflow) from financing activities	(100,000)	4,927,901
Net Increase/(Decrease) in cash and cash equivalents	110,033	42,169
Cash and Cash equivalents at beginning of the year	42,169	-
Cash and Cash equivalents at end of the year (net)	152,202	42,169
Represented by:		
Cash in hand	11,529	7,965
Cash at Banks	140,673	34,204
	152,202	42,169

The financial statements on pages 3 to 13 were approved on 27th March, 2021 and signed on its behalf by:



(Managing Director)

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CALLISTUS BLINDS MIDDLE EAST FZC
SAIF ZONE, SHARJAH - UAE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

1 Legal Status and business activity:

- 1.1 **CALLISTUS BLINDS MIDDLE EAST FZC**, Saif Zone - Sharjah ("Free Zone Company with Limited Liability") is incorporated on September 23, 2018 under Industrial License issued by the Sharjah Airport International Free Zone, Sharjah - UAE.
- 1.2 The main activities of the Company as per Industrial License are Manufacturing and Assembling of Window Blinds, Fabric and Related Accessories.
- 1.3 The registered office of the Company is located at S600 M2 Warehouse Q4-118, P.O. Box 120723, Sharjah - UAE.
- 1.4 These financial statements incorporate the operating result of Industrial License No. 19951.

2 Share Capital:

As per the board of resolution on 09.10.2019 the authorized, issued and paid up Capital of the Company has been increased from AED 150,000/- to AED 5,550,000/- divided into 3,700 shares Dhs.1,500/- each fully paid and held by the shareholders as under and as on December 31, 2020:

<u>Name</u>	<u>Nationality</u>	<u>No. of Shares</u>	<u>AED</u>
a) M/s. Marvel Décor Ltd	India	2,664	3,996,000/-
b) Mr. Mohamed Shiraz Ossman	U.K	518	777,000/-
c) Mr. Vally Ossman	U.K	518	777,000/-
		<u>3,700</u>	<u>5,550,000/-</u>

CALLISTUS BLINDS MIDDLE EAST FZC
SAIF ZONE, SHARJAH - UAE

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2020

3 Summary of significant accounting policies:

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Boards (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC), and applicable requirements of the U.A.E. Law. A summary of the significant accounting policies, which have been applied consistently, are set out below:

a) Accounting convention

These Financial Statements have been prepared on the basis of historical cost convention.

b) Accrual accounting

Generally the accrual method of accounting followed for the recognition of revenue & expenses.

c) Property, plant and equipments

Property, plant and equipments are stated at cost less accumulated depreciation and identified impairment loss, if any. The costs comprise of purchase price, levies, duties and any directly attributable costs of bringing the assets to its working condition. No depreciation has been charged in the current year, as confirmed by the management.

d) Revenue Recognition

Revenue is recognized when significant risk and rewards associated with the services are transferred to the customers.

e) Staff Statutory Benefits

Staff Statutory Benefits are being accounted upon payments.

CALLISTUS BLINDS MIDDLE EAST FZC
SAIF ZONE, SHARJAH - UAE

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2020

f) Financial Instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets and financial liabilities are recognized on the Company's balance sheet when the Company has become a party to the contractual provisions of the instrument. A financial asset is any asset that is cash, a contractual right to receive cash or other financial asset, a contractual right to exchange financial instruments under conditions that are potentially favorable or an equity instrument. A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset, or to exchange financial instruments under conditions that are potentially unfavorable.

g) Foreign Currency Fluctuation

Foreign Currency Transactions are converted into UAE Dirhams at the rate of exchange prevailing on the date of the transactions. Foreign Currency balances have been converted at the rate of exchange at the Balance Sheet date. Any resulting gain or loss by exchange rate fluctuations on foreign currency account are treated as income or expenses of the year.

h) Statutory Reserve

The amount of 10% of the net profit has been transferred to Statutory Reserve account till it reaches 50% of the share capital of the company, as stipulated in the Memorandum of Article.

i) Trade Receivables

Sales made on credit are included in trade receivables at the balance sheet date, as reduced by appropriate allowances for estimated doubtful amounts. Bad debts are written off as they arise.

j) Trade Payables

Trade payables are stated at their nominal value.

CALLISTUS BLINDS MIDDLE EAST FZC
SAIF ZONE, SHARJAH - UAE

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2020

k) Cash and cash Equivalents

Cash and Cash equivalents for the purpose of cash flow statement consists of cash on hand and at Bank.

l) Comparative Figures

Previous year's figures have been regrouped / reclassified wherever necessary to confirm to the presentation adopted in the current year.

m) General

Figures in the Financial Statements are rounded off to the nearest Dirham of UAE.

Direct confirmation of Bank Balances is not received by us, hence Bank Balances and Credit facilities could not be verified by us independently.

CALLISTUS BLINDS MIDDLE EAST FZC
SAIF ZONE, SHARJAH - UAE

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020 Dhs.	2019 Dhs.
4 CASH AND CASH EQUIVALENTS		
Cash in hand	11,529	7,965
Cash at Banks	140,673	34,204
	<u>152,202</u>	<u>42,169</u>
5 ACCOUNTS RECEIVABLE		
Trade Debtors	1,131,197	874,429
	<u>1,131,197</u>	<u>874,429</u>
6 DEPOSITS, ADVANCES AND PREPAYMENTS		
Deposits, Prepayments & Other Receivables	151,880	166,265
Loans, Advances & Other Receivables	514,594	596,788
	<u>666,474</u>	<u>763,053</u>
7 ACCOUNTS PAYABLE		
Trade Payables	4,749,928	2,806,015
	<u>4,749,928</u>	<u>2,806,015</u>

CALLISTUS BLINDS MIDDLE EAST FZC
SAIF ZONE, SHARJAH - UAE

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020 <u>Dhs.</u>	2019 <u>Dhs.</u>
8 <u>ACCRUALS AND PROVISIONS</u>		
Accrued Expenses & Other Payable	144,785	69,694
	<u>144,785</u>	<u>69,694</u>
9 <u>RETAINED EARNINGS</u>		
Opening Balance b/f	(764,512)	-
Net Profit / (Loss) for the year	262,492	(764,512)
Transferred to Statutory Reserve A/c	(26,249)	-
Closing Balance c/f	<u>(528,269)</u>	<u>(764,512)</u>
10 <u>SHAREHOLDERS' CURRENT ACCOUNT</u>		
Opening Balance b/f	(622,099)	-
Net movement during the year	(100,000)	(622,099)
Closing Balance c/f	<u>(722,099)</u>	<u>(622,099)</u>
	01.01.2020	23.09.2018
	to	to
	31.12.2020	31.12.2019
	<u>Dhs.</u>	<u>Dhs.</u>
11 <u>NET SALES</u>		
Net Invoiced Value and Services	4,810,313	2,508,539
	<u>4,810,313</u>	<u>2,508,539</u>

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CALLISTUS BLINDS MIDDLE EAST FZC
SAIF ZONE, SHARJAH - UAE

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2020

12 COST OF GOODS SOLD

	01.01.2020 to 31.12.2020 Dhs.	23.09.2018 to 31.12.2019 Dhs.
Opening stock	3,057,236	-
Purchases	3,615,527	5,150,900
Direct Expenses	1,280,005	609,324
Less: Closing stock	(4,463,685)	(3,057,236)
	<u>3,489,083</u>	<u>2,702,988</u>

13 GENERAL & ADMINISTRATION EXPENSES

Salaries and Benefits	491,080	190,147
Rent, Visa, License & Other Govt. Fees	198,710	89,448
Printing and Stationery	7,477	6,751
Communication and Utilities	107,321	28,779
Commission & Business Promotion Expenses	28,423	62,019
Hotel and Accommodation Expenses	6,721	11,727
Insurance	5,600	1,995
Travelling and Conveyance	113,480	95,688
Repairs and Maintenance	35,122	15,798
Other General & Administration Expenses	47,280	38,026
	<u>1,041,214</u>	<u>540,378</u>



(Managing Director)



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