ZEE STORES LLC

Reports and financial statements for the year ended 31 December 2019

ZEE STORES LLC

Reports and financial statements
for the year ended 31 December 2019

Directors' Report
for the year ended 31 December 2019

The Directors present their report together with the audited financial statements of Zee Stores LLC ("the Company") for the year ended 31 December 2019.

Principle activities
The principal activities of the Company include the trading and importing of fresh consumables, canned, preserved and frozen foods.

Results and appropriations

Revenue for the year was AED 302,999,460 (2018: AED 286,380,841) and profit for the year was AED 18,636,453 (2018: AED 18,526,413).

	AED
Retained earnings at the beginning of the year	113,199,713
Profit for the year	18,636,453
Less: Dividends	(6,000,000)
Retained earnings at the end of the year	**125,836,166**

Release

The Directors release from liability the management and external auditor in connection with their duties for the year ended 31 December 2019.

Auditors

A resolution proposing the appointment of Deloitte & Touche (M.E.) as auditors of the Company for the year ending 31 December 2020 will be put to the annual general meeting.

On behalf of the Board of Directors

Basar Shueb

Mr. Syed Basar Shueb
Managing Director

13 April 2020

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ZEE STORES LLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Zee Stores LLC ("the Company"), which comprise the statement of financial position as at 31 December 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2019, and 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) together with the other ethical requirements that are relevant to our audit of the Company's financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises of the Directors' report**,** which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's 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 auditor's 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.

Deloitte.

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the applicable provisions of the articles of association of the Company and UAE Federal Law No. (2) of 2015, 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.

Those Charged With Governance 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.

As part of an audit in accordance with ISA's, 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 risk, 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's 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 auditor's report to the related disclosures in the financial statements or, if such disclosure 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.

Deloitte.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ZEE STORES LLC (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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 the Board of Directors 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Further, as required by the UAE Federal Law No. (2) of 2015, we report that:

- We have obtained all the information we considered necessary for the purposes of our audit;
- The financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (2) of 2015;
- The Company has maintained proper books of account;
- The financial information included in the report of the Directors is consistent with the books of account of the Company;
- As disclosed in note 1 to the financial statements the Company has not purchased or invested in any shares during the financial year ended 31 December 2019;
- Note 9 to the financial statements discloses material related party transactions and balances and the terms under which they were conducted; and
- Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the company has contravened during the financial year ended 31 December 2019 any of the applicable provisions of the UAE Federal Law No. (2) of 2015 or of its Memorandum and Articles of Association which would materially affect its activities or its financial position as at 31 December 2019.

Deloitte & Touche (M.E.)

Mohammad Khamees Al Tah
Registration Number 717
13 April 2020
Abu Dhabi
United Arab Emirates

Statement of financial position as at 31 December 2019

	Notes	2019 AED	2018 AED
ASSETS			
Non-current assets			
Property and equipment	5	**15,342,758**	16,090,180
Right of use asset	6	**7,246,689**	-
Total non-current assets		**22,589,447**	16,090,180
Current assets			
Inventories	7	**5,610,869**	6,542,300
Trade and other receivables	8	**7,651,368**	10,679,594
Amounts due from related parties	9	**93,238,771**	123,148,562
Cash and bank balances	10	**62,349,605**	29,148,238
Total current assets		**168,850,613**	169,518,694
Total assets		**191,440,060**	185,608,874
EQUITY AND LIABILITIES			
Equity			
Share capital	11	**1,000,000**	1,000,000
Contributed capital	12	**12,294,193**	12,294,193
Statutory reserve	13	**500,000**	500,000
Retained earnings		**125,836,166**	113,199,713
Total equity		**139,630,359**	126,993,906
Non-current liabilities			
Provision for employees' end of service benefits	15	**3,318,741**	2,811,037
Lease liabilities	16	**7,237,500**	-
Total non-current liabilities		**10,556,241**	2,811,037
Current liabilities			
Lease liabilities	16	**284,206**	-
Trade and other payables	17	**38,672,743**	52,026,207
Due to related parties	9	**2,296,511**	3,777,724
Total current liabilities		**41,253,460**	55,803,931
Total liabilities		**51,809,701**	58,614,968
Total equity and liabilities		**191,440,060**	185,608,874

Chief Executive Officer **Chief Financial Officer**

The accompanying notes form an integral part of these financial statements.

Statement of profit or loss and other comprehensive income for the year ended 31 December 2019

	Notes	2019 AED	2018 AED
Revenue	**18**	**302,999,460**	286,380,841
Cost of sales	**19**	**(273,089,674)**	(257,067,314)
Gross profit		**29,909,786**	29,313,527
General and administrative expenses	**20**	**(10,968,859)**	(10,941,729)
Finance cost	**21**	**(466,628)**	(45,289)
Other income		**162,154**	199,904
Profit for the year	**22**	**18,636,453**	18,526,413
Other comprehensive income for the year		-	-
Total comprehensive income for the year		**18,636,453**	18,526,413

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity
for the year ended 31 December 2019

	Share capital AED	Contributed capital AED	Statutory reserve AED	Retained earnings AED	Total AED
Balance at 1 January 2018	1,000,000	12,294,193	500,000	100,955,797	114,749,990
Effect of application of IFRS 9	-	-	-	(282,496)	(282,496)
Adjusted balance at 1 January 2018	1,000,000	12,294,193	500,000	100,673,300	114,467,493
Total comprehensive income for the year	-	-	-	18,526,413	18,526,413
Dividends paid (note 14)	-	-	-	(6,000,000)	(6,000,000)
Balance at 1 January 2019	1,000,000	12,294,193	500,000	113,199,713	126,993,906
Total comprehensive income for the year	-	-	-	18,636,453	18,636,453
Dividends paid (note 14)	-	-	-	(6,000,000)	(6,000,000)
Balance at 31 December 2019	**1,000,000**	**12,294,193**	**500,000**	**125,836,166**	**139,630,359**

The accompanying notes form an integral part of these financial statements.

Statement of cash flows
for the year ended 31 December 2019

	Notes	2019 AED	2018 AED
Cash flows from operating activities			
Profit for the year		**18,636,453**	18,526,413
Adjustments for:			
Depreciation	**5**	**1,547,444**	770,939
Write off of property and equipment	**5**	**1,436,030**	-
Amortisation of right of use asset	**6**	**157,134**	-
Finance costs	**21**	**50,432**	45,289
Finance costs on lease liabilities	**16**	**416,196**	-
Gain on disposal of property and equipment		**(15,000)**	(33,500)
Provision for impairment of doubtful debts, net	**6**	**376,126**	11,959
(Reversal)/charge of impairment of doubtful balances due from related parties	**9**	**(75,600)**	87,909
Provision for staff terminal benefits	**15**	**359,205**	288,150
Operating cash flows before changes in operating assets and liabilities		**22,888,420**	19,697,159
Decrease in inventories	**7**	**931,431**	1,680,478
Decrease/(increase) in trade and other receivables	**8**	**2,629,715**	(1,645,871)
Decrease/(increase) in amounts due from related parties	**9**	**29,985,391**	(34,445,482)
(Decrease)/increase in trade and other payables	**17**	**(13,353,464)**	5,652,726
(Decrease)/increase in amounts due to related parties	**9**	**(1,220,939)**	1,587,738
Net cash generated from/(used in) from operations		**41,860,554**	(7,473,252)
Employees' end of service benefits paid	**15**	**(111,775)**	(62,287)
Net cash generated from/(used in) from operating activities		**41,748,779**	(7,535,539)
Investing activities			
Payment for purchase of property and equipment	**5**	**(2,236,052)**	(6,915,795)
Proceeds from disposal of property and equipment		**15,000**	33,500
Net cash used in investing activities		**(2,221,052)**	(6,882,295)
Cash flows from financing activities			
Repayment of lease liabilities	**16**	**(275,928)**	-
Dividend paid	**14**	**(6,000,000)**	(6,000,000)
Finance cost	**21**	**(50,432)**	(45,289)
Cash used in financing activities		**(6,326,360)**	(6,045,289)
Net increase/(decrease) in cash and cash equivalents		**33,201,367**	(20,463,123)
Cash and cash equivalents at the beginning of the year	**10**	**29,148,238**	49,611,362
Cash and cash equivalents at the end of the year		**62,349,605**	29,148,237
Non cash transactions:			
Transfer of provision for employees' end of service benefit from a related party	**15**	**260,274**	**-**
Net impact on initial recognition of Right of use assets and lease liabilities as per IFRS 16		**22,385**	**-**

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements
for the year ended 31 December 2019

1 General information

Zee Stores LLC was a partnership registered in the Emirate of Abu Dhabi, United Arab Emirates. On 17 March 2008, the legal status of the partnership was changed to a limited liability company and the name was consequently changed to Zee Stores LLC (“the Company”).

The registered address of the Company is P.O. Box 53314, Abu Dhabi, United Arab Emirates.

The principal activities of the Company include the trading and importing of fresh consumables, canned, preserved and frozen foods.

The Company did not purchase or invest in any shares during the year ended 31 December 2019.

2 Application of new and revised International Financial Reporting Standards (IFRSs)

2.1 New and amended IFRS Standards that are effective for the current year

IFRS 16 *Leases*

In the current year, the Company, for the first time, has adopted IFRS 16 *Leases* (as issued by the IASB in January 2016). The standard replaces the existing guidance on leases, including IAS 17 ‘Leases”, IFRIC 4 “Determining whether an Arrangement contains a Lease”, SIC 15 “Operating Leases – Incentives” and SIC 27 “Evaluating the Substance of Transactions in the Legal Form of a Lease”. The date of initial application of IFRS 16 is 1 January 2019.

IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset and a lease liability at the lease commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. Therefore, IFRS 16 does not have an impact for leases where the Company is the lessor. Details of these new requirements are described in Note 3. The impact of the adoption of IFRS 16 on the Company’s financial statements is described below.

The Company adopted for the modified retrospective application permitted by IFRS 16 upon adoption of the new standard. Under modified prospective application, the Company is not require to restate any comparative information. During the first time application of IFRS 16 to operating leases, the right to use the leased assets was generally measured at the amount of lease liability, using the interest rate at the time of first time application.

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.1 New and amended IFRS Standards that are effective for the current year (continued)

IFRS 16 *Leases (continued)*

Impact on Lessee Accounting

Former operating leases

IFRS 16 changes how the Company accounts for leases previously classified as operating leases under IAS 17, which were off-balance-sheet.

Applying IFRS 16, for all leases, the Company:

a) recognises right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of future lease payments;
b) recognises depreciation of right-of-use assets and interest on lease liabilities in the statement of profit or loss; and
c) separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the statement of cash flows.

Lease incentives (e.g. free rent period) are recognised as part of the measurement of the right-of-use assets and lease liabilities whereas under IAS 17 they resulted in the recognition of a lease incentive liability, amortised as a reduction of rental expense on a straight-line basis.

The Company leases a plot of land and labour accommodation. Rental contracts are typically made for fixed periods but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Prior to 31 December 2018, leases were classified as operating leases. Payments made under operating leases were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Right-of-use asset

The recognised right-of-use asset is related lease of land for a warehouse in Kizad from Abu Dhabi Ports Company PJSC. The lease commenced on 1 February 2016 for a term of 50 years.

Notes to the financial statements
for the year ended 31 December 2019 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.1 New and amended IFRS Standards that are effective for the current year (continued)

IFRS 16 *Leases (continued)*

Impact on Lessee Accounting (continued)

Former operating leases (continued)

The associated right-of-use asset was measured at the amount equal to the remaining lease liabilities. There were no onerous lease contracts that would have required an adjustment to the right-of-use asset at the date of initial application.

The movement in right of use asset during the year ended 31 December 2019 is as follows;

	AED
At 1 January 2019	**7,403,823**
Addition during the year	**-**
Amortisation for the year	**(157,134)**
At 31 December	**7,246,689**

Lease liabilities

Movement of lease liabilities during the year ended 31 December 2019 is as follows:

	AED
At 1 January	**7,381,438**
Add: additions	**-**
Add: finance charges	**416,196**
Less: repayments during the year	**(275,928)**
At 31 December	**7,521,706**

Notes to the financial statements
for the year ended 31 December 2019 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.1 New and amended IFRS Standards that are effective for the current year (continued)

IFRS 16 *Leases (continued)*

Impact on Lessee Accounting (continued)

Former operating leases (continued)

Lease liabilities as of 31 December 2019 is presented in the statement of financial position as follows:

	AED
Amounts due for settlement within 12 months	**284,206**
Amounts due for settlement after 12 months	**7,237,500**
Lease liabilities	**7,521,706**

The Company does not face a significant liquidity risk with regard to its liabilities. Lease liabilities are monitored within the Company's treasury function.

Amounts recognised in statement of profit and loss and other comprehensive income during the year ended 31 December 2019 is as follow;

	AED
Amoritzation expense on right-of-use assets	**157,134**
Finance cost of lease liabilities	**416,196**
	573,330

The change in accounting policy affected the following items in the balance sheet on 1 January 2019:

- right-of-use assets – increase by AED 7,403,823
- lease liabilities – increase by AED 7,381,438

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Notes to the financial statements
for the year ended 31 December 2019 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.1 New and amended IFRS Standards that are effective for the current year (continued)

IFRS 16 *Leases (continued)*

Impact on Lessee Accounting (continued)

Former operating leases (continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received; and
- any initial direct costs

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Practical expedient

In applying IFRS 16 for the first time, the Company has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Company relied on its assessment made applying IAS 17 and IFRIC 4 Determining whether an Arrangement contains a Lease.

Notes to the financial statements
for the year ended 31 December 2019 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.1 New and amended IFRS Standards that are effective for the current year (continued)

IFRS 16 *Leases (continued)*

Impact on Lessee Accounting (continued)

Former finance leases

The main difference between IFRS 16 and IAS 17 with respect to assets formerly held under a finance lease is the measurement of residual value guarantees provided by a lessee to a lessor. IFRS 16 requires that the Company recognises as part of its lease liability only the amount expected to be payable under a residual value guarantee, rather than the maximum amount guaranteed as required by IAS 17. This change did not have any effect on the Company's financial statements.

Impact on Lessor Accounting

IFRS 16 does not change substantially how a lessor accounts for leases. Under IFRS 16, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently. However, IFRS 16 has changed and expanded the disclosures required, in particular regarding how a lessor manages the risks arising from its residual interest in the leased assets.

Under IFRS 16, an intermediate lessor accounts for the head lease and the sublease as two separate contracts. The intermediate lessor is required to classify the sublease as a finance or operating lease by reference to the right-of-use asset arising from the head lease (and not by reference to the underlying asset as was the case under IAS 17).

Impact of the new definition of a lease

The Company has made use of the practical expedient available on transition to IFRS 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with IAS 17 and IFRIC 4 will continue to be applied to leases entered or modified before 1 January 2019. The change in definition of a lease mainly relates to the concept of control. IFRS 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies the definition of a lease and related guidance set out in IFRS 16 to all lease contracts entered into or modified on or after 1 January 2019 (whether it is a lessor or a lessee in the lease contract). In preparation for the first-time application of IFRS 16, the Company has carried out an assessment which shows that the new definition in IFRS 16 will not change significantly the scope of contracts that meet the definition of a lease for the Company.

Notes to the financial statements
for the year ended 31 December 2019 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.2 New and amended IFRS applied with no material effect on the financial statements (continued)

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2019, have been adopted in these financial statements.

<u>New and revised IFRSs</u>	Effective for annual periods <u>beginning on or after</u>
Amendments to IFRS 9 *Prepayment Features with Negative Compensation and Modification of financial liabilities*	1 January 2019
The amendments to IFRS 9 clarify that for the purpose of assessing whether a prepayment feature meets the SPPI condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, prepayment features with negative compensation do not automatically fail SPPI.	
The amendment applies to annual periods beginning on or after 1 January 2019, with earlier application permitted. There are specific transition provisions depending on when the amendments are first applied, relative to the initial application of IFRS 9.	
Amendments to IAS 28 *Investment in Associates and Joint Ventures*: Relating to long-term interests in associates and joint ventures.	1 January 2019
These amendments clarify that an entity applies IFRS 9 *Financial Instruments* to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.	
Annual Improvements to IFRSs 2015-2017 *Cycle Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs*	1 January 2019

Notes to the financial statements
for the year ended 31 December 2019 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.2 New and amended IFRS applied with no material effect on the financial statements (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Annual Improvements to IFRSs 2015-2017 *Cycle Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs*	1 January 2019
The *Annual Improvements* include amendments to four Standards.	
IAS 12 *Income Taxes*	1 January 2019
The amendments clarify that an entity should recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised the transactions that generated the distributable profits. This is the case irrespective of whether different tax rates apply to distributed and undistributed profits.	
IAS 23 *Borrowing costs*	1 January 2019
The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.	
IFRS 3 *Business Combinations*	1 January 2019
The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, the entity applies the requirements for a business combination achieved in stages, including re-measuring its previously held interest (PHI) in the joint operation at fair value. The PHI to be re-measured includes any unrecognised assets, liabilities and goodwill relating to the joint operation.	
IFRS 11 *Joint Arrangements*	1 January 2019
The amendments to IFRS 11 clarify that when a party that participates in, but does not have joint control of, a joint operation that is a business obtains joint control of such a joint operation, the entity does not re-measure its PHI in the joint operation.	
Amendments to IAS 19 *Employee Benefits Plan Amendment, Curtailment or Settlement*	1 January 2019
The amendments to IAS 19 Employee Benefits clarify the accounting for defined benefit plan amendments, curtailments and settlements.	

Notes to the financial statements
for the year ended 31 December 2019 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.2 New and amended IFRS applied with no material effect on the financial statements (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
IFRIC 23 *Uncertainty over Income Tax Treatments*	1 January 2019
The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. It specifically considers: 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.	

The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

2.3 New and amended IFRSs in issue but not yet effective and not early adopted

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

New and revised IFRSs	Effective for annual periods beginning on or after
Definition of Material - Amendments to IAS 1 *Presentation of Financial Statements* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*	1 January 2020
The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.'	

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.3 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	**Effective for annual periods beginning on or after**
Definition of a Business – Amendments to IFRS 3 *Business Combinations*	1 January 2020
The amendments clarify that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. IASB also clarify that a business can exist without including all of the inputs and processes needed to create outputs. That is, the inputs and processes applied to those inputs must have 'the ability to contribute to the creation of outputs' rather than 'the ability to create outputs'.	
Amendments to *References to the Conceptual Framework in IFRS Standards*	1 January 2020
Amendments to References to the Conceptual Framework in IFRS Standards related IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update those pronouncements with regard to references to and quotes from the framework or to indicate where they refer to a different version of the Conceptual Framework.	
IFRS 7 Financial Instruments: Disclosures and IFRS 9 — Financial Instruments	1 January 2020
Amendments regarding pre-replacement issues in the context of the IBOR reform	
IFRS 17 *Insurance Contracts*	1 January 2022
IFRS 17 requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 *Insurance Contracts* as at 1 January 2022.	
Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* (2011) relating to the treatment of the sale or contribution of assets from and investor to its associate or joint venture.	Effective date deferred indefinitely. Adoption is still permitted.

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

Notes to the financial statements
for the year ended 31 December 2019 (continued)

3 Summary of significant accounting policies

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

Basis of preparation

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

The principal accounting policies adopted are set out below.

Revenue recognition

Company reconises revenue from sale of food and non-food items

Sale of goods

For sales of goods to the customers, revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (delivery). Following delivery, the Customer has full discretion over the manner of use of goods, has the primary responsibility when onselling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss in the period in which they are incurred.

Depreciation is calculated so as to write off the cost or valuation of property and equipment less their residual values over their estimated useful lives. Depreciation is generally recognized in profit or loss, unless the amount is included in the carrying amount of another asset.

3 Summary of significant accounting policies (continued)

Property and equipment (continued)

The estimated useful lives for the current and comparative years of significant items of property and equipment are as follows:

	Years
Building	20
Machinery	15
Computer and office equipment	5
Motor vehicles	5

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Capital work-in-progress

The Company capitalises all costs relating to the construction of property and equipment as capital work in progress, up to the date of the completion and commissioning of the asset. These costs are transferred from capital work in progress to the appropriate asset classification upon completion and commissioning, and are depreciated over the useful economic life applicable to the respective asset category, from the date of such completion and commissioning. Capital work in progress are carried at cost less any recognised impairment.

Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

3 Summary of significant accounting policies (continued)

Impairment of non-financial assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average principle, and includes expenditure incurred in acquiring the inventories, production, or conversion costs, and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

Employee benefits

The Company provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

An accrual is made for estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the end of the reporting period.

A provision is made for the full amount of end of service benefits due to employees in accordance with the UAE Labour Law, for their period of service up to the end of the reporting period. The accrual relating to annual leave and leave passage is disclosed as a current liability, while the provision relating to end of service benefits is disclosed as a non-current liability.

Foreign currencies

For the purpose of these financial statements, the UAE Dirhams (AED) is the functional and the presentation currency of the Company.

Transactions in currencies other than AED (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

3 Summary of significant accounting policies (continued)

Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Leases (policy applicable from 1 January 2019 on adoption of IFRS 16)

The Company as a lessee

The Company assesses whether contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line item in the statement of financial position.
The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Notes to the financial statements
for the year ended 31 December 2019 (continued)

3 Summary of significant accounting policies (continued)

Leases (policy applicable from 1 January 2019 on adoption of IFRS 16) (continued)

The Company as a lessee (continued)

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revise discount rate is used).

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use of assets are presented as a separate line in the statement of financial position.

The Company applies IAS36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the ‘Property and equipment’ policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line ‘Other expenses’ in the statement of profit or loss.

As a practical expedient, IFRS16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient.

3 Summary of significant accounting policies (continued)

Leases (policy applicable before 1 January 2019 under IAS 17)

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

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

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Despite the foregoing, the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and the Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below).

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called ‘accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the ‘other gains and losses' line item.

Notes to the financial statements
for the year ended 31 December 2019 (continued)

3 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Definition of default

The Company considers the default in case of trade receivables, the Company considers that default occurs when a customer balance moves into the age bracket of more than two years category based on its debt age analysis for internal credit risk management purposes. For all other financial assets, the Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full.

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 30 days past due, unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write-off policy
The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

Notes to the financial statements
for the year ended 31 December 2019 (continued)

3 Summary of significant accounting policies (continued)

Financial instruments (continued)

Derecognition of financial assets (applicable after 1 January 2018)

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities (applicable after 1 January 2018)

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Company, are measured in accordance with the specific accounting policies set out below.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

3 Summary of significant accounting policies (continued)

Financial liabilities and equity instruments (continued)

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Company exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognised in profit or loss as the modification gain or loss within other gains and losses.

4 Critical accounting judgments and key sources of estimation uncertainty

While applying the accounting policies as stated in Note 3, management of the Company has made certain judgments, estimates and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period of the revision in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgments and estimate made by management are summarised as follows:

Critical judgments in applying the Company's accounting policies

The following are the critical judgments, apart from those involving estimations (see 4.2 below), that the management have made in the process of applying the Company's accounting policies and have the most significant effect on the amounts recognised in the financial statements.

**Notes to the financial statements
for the year ended 31 December 2019 (continued)**

4 Critical accounting judgments and key sources of estimation uncertainty (continued)

Critical judgments in applying the Company's accounting policies

Contributed capital

Contributed capital represents a long term interest free advance from shareholders with no fixed terms of repayment. The shareholders have confirmed that this will not be called in the forseeable future, and that, on dissolution of the company, the rights, benefits and obligations in the residual net assets and liabilities, attached to the balance in the additional shareholder contribution account, shall rank pari passu with those attached to the share capital of the company. Therefore, this advance is more akin to an equity instrument rather than a liability, and accordingly the balance has been presented within equity.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

Key sources of estimation uncertainty

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

Significant increase in credit risk

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward looking information. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Notes to the financial statements
for the year ended 31 December 2019 (continued)

4 Critical accounting judgments and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty (continued)

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. As at 31 December 2019 the ECL on trade receivable and related parties were AED 753,002 (2018: AED 376,876) and AED 651,169 (2018: AED: 3,435,422) respectively.

Useful lives of property and equipment

Management reviews the residual values and estimated useful lives of property and equipment at the end of each annual reporting period in accordance with IAS 16. Management determined that current year expectations do not differ from previous estimates based on its review.

Impairment of inventories

When inventories become old or obsolete, an estimate is made of their net realisable value. Inventory items are categorised based on their movements during the year, their physical condition and their expected future use, and accordingly, different proportions of the value of each category are recognised as an allowance for impaired inventory. Management is satisfied that no impairment provision is necessary on inventories for the year ended 31 December 2019 and 2018.

Impairment of property and equipment

Property, and equipment are assessed for impairment based on the assessment of cash flows on individual cash-generating units when there is an indication that those assets have suffered an impairment loss. Cash flows are determined with reference to recent market conditions, prices existing at the end of the reporting period, contractual agreements and estimations over the useful lives of the assets and discounted using a range of discounting rates that reflects current market assessments of the time value of money and the risks specific to the asset. The net present values are compared to the carrying amounts to assess any probable impairment.

Discounting of lease payment

Lease payment are discounted using interest rate paid by the related parties on borrowing facilities.

5 Property and equipment

	Building AED	Machinery AED	Computer and office equipment AED	Motor vehicles AED	Capital work in progress AED	Total AED
Cost						
At 1 January 2018	3,755,994	1,108,498	1,747,293	2,588,009	7,518,644	16,718,438
Additions	-	-	10,957	58,500	6,846,338	6,915,795
Transfers	-	-	3,100	393,600	(396,700)	-
Disposals	-	-	-	(212,000)	-	(212,000)
At 1 January 2019	3,755,994	1,108,498	1,761,350	2,828,109	13,968,282	23,422,233
Additions	1,105,626	-	114,136	929,200	87,090	2,236,052
Transfers	11,890,538	1,028,500	1,049,244	-	(13,968,282)	-
Disposals	-	-	-	(103,000)	-	(103,000)
Write off	(1,436,030)	-	-	-	-	(1,436,030)
At 31 December 2019	**15,316,128**	**2,136,998**	**2,924,730**	**3,654,309**	**87,090**	**24,119,255**
Accumulated depreciation						
At 1 January 2018	2,037,965	802,986	1,596,065	2,336,098	-	6,773,114
Charge for the year	201,512	106,417	105,586	357,424	-	770,939
Disposal	-	-	-	(212,000)	-	(212,000)
At 1 January 2019	2,239,477	909,403	1,701,651	2,481,522	-	7,332,053
Charge for the year	572,165	393,842	335,895	245,542	-	1,547,444
Disposal	-	-	-	(103,000)	-	(103,000)
At 31 December 2019	**2,811,642**	**1,303,245**	**2,037,546**	**2,624,064**	**-**	**8,776,497**
Carrying amount						
At 31 December 2019	**12,504,486**	**833,753**	**887,184**	**1,030,245**	**87,090**	**15,342,758**
At 31 December 2018	1,516,517	199,095	59,699	346,587	13,968,282	16,090,180

Notes to the financial statements
for the year ended 31 December 2019 (continued)

5 Property and equipment (continued)

	2019 AED	2018 AED
Depreciation allocation		
Cost of sales (note 19)	**1,106,154**	599,867
General and administrative expenses (note 20)	**441,290**	171,072
	1,547,444	770,939

6 Right-of-use assets

	Total AED
As at 1 January 2019	**-**
Recognized on initial application on 1 January 2019	**7,403,823**
Additions	**-**
At 31 December 2019	**7,403,823**
Accumulated amortization	
Charge for the year	**157,134**
At 31 December 2019	**157,134**
Carrying amount	**7,246,689**

The Company has leased a land for a warehouse in KIZAD from Abu Dhabi Ports Company PJSC ("the lessor"). The lease commenced on 1 February 2016 for a term of 50 years.

Amounts recognised in profit and loss and other comprehensive income:

	2019 AED
Amortisation expense on right-of-use asset	**157,134**
Interest expense on lease liability	**416,196**
At 31 December	**573,330**

Notes to the financial statements
for the year ended 31 December 2019 (continued)

7 Inventories

	2019 AED	2018 AED
Food items	**4,769,239**	5,560,955
Non-food items	**841,630**	981,345
	5,610,869	6,542,300

8 Trade and other receivables

	2019 AED	2018 AED
Trade receivables	**6,125,727**	7,354,034
Less: provision for doubtful debts	**(753,002)**	(376,876)
	5,372,725	6,977,158
Deposits	**1,247,917**	2,343,309
Advances to suppliers	**565,412**	1,007,734
Prepayments	**277,167**	314,429
Other receivables	**188,147**	36,964
	7,651,368	10,679,594

The average credit period for trade receivables is 60 days. No interest is charged on trade and other receivables.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Company has recognised a loss allowance of 100% against all receivables over 180 days past due because historical experience has indicated that these receivables are generally not recoverable.

Notes to the financial statements
for the year ended 31 December 2019 (continued)

8 Trade and other receivables (continued)

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

The following table shows the movement in lifetime ECL that has been recognised for trade and other receivables in accordance with the simplified approach set out in IFRS 9.

	Collectively assessed AED	**Individually assessed AED**	**Total AED**
Provision for doubtful debts			
Opening balance as at 1 January 2018	-	308,995	**308,995**
Effect of adoption of IFRS 9	55,922	-	**55,922**
Adjusted opening balance as at 1 January 2018	55,922	308,995	**364,917**
Charge for the year	14,446		**14,446**
Reversal/write off during the year	-	(2,487)	**(2,487)**
Opening balance as at 1 January 2019	70,368	306,508	**376,876**
Charge for the year	-	400,009	**400,009**
Reversal/write off during the year	(23,883)	-	**(23,883)**
Closing balance	46,485	706,517	**753,002**

The following table details the risk profile of trade receivables based on the Company's provision matrix.

Notes to the financial statements
for the year ended 31 December 2019 (continued)

8 Trade and other receivables (continued)

Trade receivables – Days past due

	Not past due	< 30	31 - 60	61 -90	91-120	121-150	151-180	181-365	> 365	Government receivables	Total
	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED
31 December 2019											
Expected credit loss	0.16%	2.72%	6.63%	12.26%	18.34%	21.51%	24.39%	37.02%	37.02%	0.27%	
Estimated total gross carrying amount as default	3,310,206	86,242	34,983	26,182	3,976	11,662	5,159	49,613	15,292	1,634,744	5,178,059
Lifetime ECL	5,676	2,344	2,318	3,210	729	2,508	1,258	18,366	5,661	4,415	46,485

Trade receivables – Days past due

	Not past due	< 30	31 - 60	61 -90	91-120	121-150	151-180	181-365	> 365	Government receivables	Total
	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED
31 December 2018											
Expected credit loss	0.11%	2.71%	8,10%	14,71%	22.14%	25.76%	28.77%	46..08%	46.08%	0.27%	
Estimated total gross carrying amount as default	3,891,831	196,304	104,179	29,308	15,943	3,661	11,913	64,178	7,139	2,723,075	7,047,531
Lifetime ECL	4,178	5,323	8,440	4,312	3,529	943	3,428	29,574	3,290	7,351	70,368

Notes to the financial statements
for the year ended 31 December 2019 (continued)

9 Related parties

The Company, in the ordinary course of business, entered into a variety of transactions at agreed terms and conditions, with companies, entities or individuals that fall within the definition of "related parties" as defined in IAS 24 Related Party Disclosures. Related parties mainly comprise the Company's major Shareholders, Directors and entities related to them, companies under common ownership and/or common management and control, their partners and key management personnel.

	2019	2018
	AED	AED
Due from related parties		
The Private Affairs Department of Sheikha Fatima	**52,354,150**	79,322,875
Meena Palace	**25,751,788**	21,984,656
Al Yasat Catering and Restaurant Supplies LLC	**4,542,435**	7,390,609
Sarha Ship	**2,982,061**	2,512,301
H.H. Sheikh Hamdan Bin Zayed Al Nahyan	**238,427**	2,619,483
H.H. Sheikh Abdulla Bin Zayed Al Nahyan	**1,485,158**	1,953,648
Cine Royal Cinema LLC	**194,851**	1,892,544
National Projects and Construction LLC	**285,315**	855,942
Office of H.H. Sheikh Tahnoon Bin Zayed Al Nahyan	**672,099**	686,417
Others*	**5,383,656**	7,365,509
	93,889,940	126,583,984
Less: provision for impairment	**(651,169)**	(3,435,422)
	93,238,771	123,148,562

*Included in the other related parties are the balances with Companies under the common control of Royal Group Holding.

The following table shows the movement in lifetime ECL that has been recognised for due from related parties in accordance with the simplified approach set out in IFRS 9.

	Collectively assessed AED	**Individually assessed AED**	**Total AED**
Provision for doubtful debts			
Opening balance as at 1 January 2018	-	3,120,939	**3,120,939**
Effect of adoption of IFRS 9	226,574	-	**226,574**
Adjusted opening balance as at 1 January 2018	226,574	3,120,939	**3,347,513**
Charge for the year	87,909	-	**87,909**
Opening balance as at 1 January 2019	314,483	3,120,939	**3,435,422**
Reversal during the year	(75,600)	-	**(75,600)**
Write off during the year	-	(2,708,653)	**(2,708,653)**
Closing balance	**238,883**	**412,286**	**651,169**

Notes to the financial statements
for the year ended 31 December 2019 (continued)

9 Related parties (continued)

The Company applies a loss rate of 0.27% to compute the ECL on the outstanding balance of due from related party as at the reporting date.

	2019 AED	2018 AED
Amount due to related parties		
Al Ajaban Poultry LLC	**347,327**	1,784,574
H.H. Sheikh Tahnoon Bin Zayed Al Nahyan	**400,000**	400,000
Others*	**1,549,184**	1,593,150
31 December	**2,296,511**	3,777,724

*Included in the other related parties are the balances with Companies under the common control of Royal Group.

Significant transactions with related parties are as follows:

	2019 AED	2018 AED
Management remuneration	**2,708,855**	2,223,055
Directors' remuneration	**1,115,005**	1,025,624
Revenues	**280,831,435**	263,175,951
Purchases	**13,306,854**	7,466,149
Professional services	**155,378**	362,246
Management fee	**1,741,552**	1,251,015
Short term benefits	**882,492**	899,680
Post-employment benefits	**84,811**	72,360
Management remuneration	**2,708,855**	2,223,055
Transfer of provision for employees' end of service benefit from a related party (note 15)	**260,274**	-

Notes to the financial statements
for the year ended 31 December 2019 (continued)

10 Cash and bank balances

	2019 AED	2018 AED
Cash in hand	**33,054**	6,989
Cash at bank – current account	**62,316,551**	29,141,249
Cash and cash equivalent	**62,349,605**	29,148,238

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, management of the Company estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, management have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

11 Share capital

The share capital of the Company comprises of 100,000 (2018: 1,000) authorised, issued and fully paid shares of AED 10 (2018: AED 1,000) par value each. The Company's share capital is allocated as follows:

31 December 2019

	%	**Number of shares**	**Amount AED**
IHC Food Holding LLC	**99.9**	**99,900**	**999,000**
IHC Companies Management LLC	**0.1**	**100**	**1,000**
	100	**100,000**	**1,000,000**

31 December 2018

	%	Number of shares	Amount AED
Royal Group Holding LLC	99.9	999	999,000
Royal Group Companies Management – LLC	0.1	1	1,000
	100	1,000	1000,000

During 2019, Royal Group Holding LLC and Royal Group Companies Management LLC transferred their respective shareholding in the Company to IHC Food Holding LLC and IHC Companies Management LLC.

Notes to the financial statements
for the year ended 31 December 2019 (continued)

12 Contributed capital

Contributed capital represents a long term interest free advance from shareholders with no fixed terms of repayment. The shareholders have confirmed that this will not be called in the foreseeable future, and that, on dissolution of the company, the rights, benefits and obligations in the residual net assets and liabilities, attached to the balance in the additional shareholder contribution account, shall rank pari passu with those attached to the share capital of the company. Therefore, this advance is more akin to an equity instrument rather than a liability, and accordingly the balance has been presented within equity.

13 Statutory reserve

In accordance with the UAE Federal Commercial Companies Law No. (2) of 2015 concerning Commercial Companies and the Company's Articles of Association, 10% of the annual profit of the Company is transferred to a statutory reserve until the reserve equals 50% of the share capital. Such reserve is not available for distribution.

14 Dividends

During the year, the company distributed AED 6 million (2018: AED 6 million) to the shareholders out of its retained earnings.

15 Provision for employees' end of service benefits

The movement in the provision for employees' end of service benefit is as follows:

	2019	2018
	AED	AED
At 1 January	**2,811,037**	2,585,174
Charge during the year	**359,205**	288,150
Transfer from a related party (note 9)	**260,274**	-
Payments during the year	**(111,775)**	(62,287)
At 31 December	**3,318,741**	2,811,037

Notes to the financial statements
for the year ended 31 December 2019 (continued)

16 Lease liabilities

	Total AED
Recognized on initial application on 1 January 2019	**7,381,438**
Additions	**-**
Finance charges	**416,196**
Repayments	**(275,928)**
At 31 December 2019	**7,521,706**
Non-current	**7,237,500**
Current	**284,206**
At 31 December 2019	**7,521,706**

The Company does not face a significant liquidity risk with regard to its liabilities. Lease liabilities are monitored within the Company's treasury function.

17 Trade and other payables

	2019 AED	2018 AED
Trade payables	**31,003,116**	43,075,734
Accruals and other payables	**7,669,627**	8,950,473
	38,672,743	52,026,207

The average credit period for purchases of goods and services is 60 days (2018: 60 days). The Company has financial risk management policies in place to ensure that all payables are paid within the permitted credit time frame. No interest is charged on the trade and other payables.

18 Revenue

Revenue is recognised at a point in time from sale of food and non-food items. There is no unsatisfied obligation as at 31 December 2019 (2018: nil).

	2019 AED	2018 AED
Sale of goods	**302,999,460**	286,380,841

Notes to the financial statements
for the year ended 31 December 2019 (continued)

19 Cost of sales

	2019 AED	2018 AED
Material costs	**265,003,841**	251,188,162
Salaries and other benefits	**5,673,721**	5,279,285
Depreciation (note 5)	**1,106,154**	599,867
Amortisation of right of use of assets (note 6)	**157,134**	-
Property and equipment written off during the year (note 5)	**1,148,824**	-
	273,089,674	257,067,314

20 General and administrative expenses

	2019 AED	2018 AED
Salaries and other benefits	**3,782,480**	3,519,522
Management remuneration	**2,708,853**	2,223,055
Director's remuneration	**1,115,005**	1,025,624
Rent expenses	**-**	1,232,662
Transportation expenses	**740,108**	590,037
Utility expenses	**487,044**	414,359
Repairs and maintenance expenses	**310,056**	388,876
Office expenses	**395,488**	433,010
Consultancy and professional fees	**155,378**	362,246
Depreciation (note 5)	**441,290**	171,072
Property and equipment written off during the year (note 5)	**287,206**	-
Insurance	**136,982**	101,224
Others	**408,969**	480,042
	10,968,859	10,941,729

21 Finance cost

	2019 AED	2018 AED
Bank charges	**50,432**	45,289
Interest expense on lease liabilities (note 6 &16)	**416,196**	-
	466,628	45,289

Notes to the financial statements
for the year ended 31 December 2019 (continued)

22 Profit for the year

Profit for the year has been stated after charging;

	2019 AED	2018 AED
Staff costs	**9,546,200**	8,798,805
Depreciation (note 5)	**1,547,444**	770,939
Amortisation of right of use asset (note 6)	**157,134**	-

23 Contingent liabilities

	2019 AED	2018 AED
Letters of guarantee	**983,403**	983,403
Capital commitment	**87,090**	6,846,338

24 Financial instruments

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3 to the financial statements.

Capital risk management

The Company manages its capital to ensure that it is able to continue as a going concern while maximising the return on equity. The Company does not have a formalised optimal target capital structure or target ratios in connection with its capital risk management objectives. The Company's overall strategy remains unchanged from the prior year.

Financial risk management

The Company is exposed primarily to the following risks related to financial instruments - credit risk and liquidity risk. Management actively monitors and manages the financial risks relating to the Company. The Company does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes.

Notes to the financial statements
for the year ended 31 December 2019 (continued)

24 Financial instruments (continued)

Financial risk management (continued)

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. As at 31 December 2019, the Company's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Company due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Company arises from:

- the carrying amount of the respective recognised financial assets as stated in the statement of financial position;

In order to minimise credit risk, the Company has tasked its Credit Management Committee to develop and maintain the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the Credit Management Committee uses other publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The tables below detail the credit quality of the Company's financial assets, contract assets and financial guarantee contracts, as well as the Company's maximum exposure to credit risk by credit risk rating grades.

	Notes	External credit ratings	Internal credit ratings	12 month or lifetime ECL	Gross carrying amount AED	Loss allowance AED	Net carrying amount AED
31 December 2019							
Trade receivables	8	N/A	i	Lifetime ECL	6,125,727	(753,002)	5,372,725
Due from related parties	9	N/A	i	Lifetime ECL	93,889,940	(651,169)	93,238,771

(i) For trade receivables and due from related parties, the Company has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Company determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix.

Liquidity risk management

Liquidity risk is the risk that the Company will be unable to meet its funding requirements. The maturity profile of trade and other payables is monitored by management to ensure adequate liquidity is maintained. The contractual maturities of the financial instruments, determined on the basis of the remaining period at the end of the reporting period to the contractual maturity date, are as follows:

Notes to the financial statements
for the year ended 31 December 2019 (continued)

24 Financial instruments (continued)

Financial risk management (continued)

Liquidity risk management (continued)

	Carrying value AED	Contractual cash flows AED	1 year or less AED	More than 1 year AED
2019				
Lease liabilities	**7,521,706**	**7,521,706**	**284,206**	**7,237,500**
Trade and other payables	**38,672,743**	**38,672,743**	**38,672,743**	**-**
Amounts due to related parties	**2,296,511**	**2,296,511**	**2,296,511**	**-**
	48,490,960	**48,490,960**	**41,253,460**	**7,237,500**
2018				
Trade and other payables	52,026,207	52,026,207	52,026,207	-
Amounts due to related parties	3,777,724	3,777,724	3,777,724	-
	55,803,931	55,803,931	55,803,931	-

Categories of financial instruments

	2019 AED	2018 AED
Financial assets		
Cash and bank balances	**62,349,605**	29,148,238
Trade and other current assets (excluding advances to suppliers and prepayments)	**6,808,789**	9,357,431
Due from related parties	**93,238,771**	123,148,562
Total	**162,397,165**	161,654,231
Financial liabilities		
Lease liabilities	**7,521,706**	-
Trade and other payables	**38,672,743**	52,026,207
Due to related parties	**2,296,511**	3,777,724
Total	**48,490,960**	55,803,931

Notes to the financial statements
for the year ended 31 December 2019 (continued)

24 Financial instruments (continued)

Fair value of financial assets and liabilities

Fair value represents the amount at which an asset can be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Differences can therefore arise between book value under the historical cost method and fair value estimates.

Management considers that the carrying amounts of financial assets and financial liabilities in the financial statements approximate their fair values.

25 Comparative figures

Comparative figures for the following line items have been reclassified in the prior year to conform with the current year presentation.

	As previously reported AED	Reclassification AED	As reclassified AED
Deposits and other receivables	**2,380,273**	**(2,380,273)**	**-**
Deposits	**-**	**2,343,309**	**2,343,309**
Other receivables	**-**	**36,964**	**36,964**

The above reclassifications had no effect on the profit reported in statement of profit or loss and other comprehensive income for the year ended 31 December 2018.

26 Approval of financial statements

The financial statements were approved by management and authorised for issue on 13 April 2020.