

**VINSYS INFORMATION
TECHNOLOGY CONSULTANCY
L.L.C.**

**Auditor's Report & Financial Statements
For the year ended March 31, 2024**

Table of Contents	Page
Director's Report	1
Independent Auditors' Report	2 - 3
Statement of Financial Position	4
Statement of Comprehensive Income	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 21

Directors' report

The directors of VINSYS INFORMATION TECHNOLOGY CONSULTANCY L.L.C. are pleased to submit their report for the year ended March 31, 2024.

1 Review of activities

The principal activity of the Company as per commercial license is administrative business training, computer software training, administrative consultancy and studies, computer systems and software designing, onshore and offshore oil and gas fields and facilities services.

The operating results and financial position of the Company are fully set out in the attached financial statements. The financial results of the Company in the current year and preceding year is set out below:

	2024	2023
	...AED...	
Total turnover for the year	7,018,993	3,839,009
Profit for the year	3,511,845	1,997,094

2 Manager

The management and control is vested with Mr. Imran Khan Athaullah Athaullah

3 Auditors

Real Time Auditing of Accounts L.L.C. were appointed as auditors of the Company for the year ended March 31, 2024 and being eligible, have offered themselves for re-appointment.

The financial statements for the year were approved and signed by:



Authorized Signatory
Abu Dhabi, UAE
May 01, 2024

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VINSYS INFORMATION TECHNOLOGY CONSULTANCY L.L.C.

Report on the audit of the special purpose financial statements

Opinion

We have audited the accompanying special purpose financial statements of VINSYS INFORMATION TECHNOLOGY CONSULTANCY L.L.C. ("Entity") which comprise the statement of financial position as at March 31, 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the period from April 01, 2023 to March 31, 2024, and notes to the special purpose financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying special purpose financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2024, and its financial performance and its cash flows for the period then ended in accordance with the policies of the management.

Basis for Opinion

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

Responsibilities of Management and Shareholders for the Financial Statements

Management is responsible for the preparation and fair presentation of the special purpose financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so. The management is responsible for overseeing the Entity'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 misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance but is not guarantee that an audit conducted in accordance with ISAs will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of financial statements.

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



**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS
OF VINSYS INFORMATION TECHNOLOGY CONSULTANCY L.L.C. (continued)**

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 '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 disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

Reports on other legal and regulatory requirements

We confirm that:

- We have obtained all the information and explanations we considered necessary for the purpose of our audit;
- The special purpose financial statements have been prepared and comply in all material respects with the applicable provisions of the above-mentioned law and the Memorandum and Articles of Association of the Entity.
- The Company has maintained proper books of accounts.
- Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Entity has contravened, during the financial period ended, any of the applicable provisions of the above-mentioned law or the Memorandum and Articles of Association of the Entity, which would materially affect its activities or its financial position as at March 31, 2024.



Real Time Auditing of Accounts L.L.C.
Mahmood Ahmed Mohamed Siddiq
Registration number: 1024
Dubai, United Arab Emirates
Dated: May 07, 2024

VINSYS INFORMATION TECHNOLOGY CONSULTANCY L.L.C.

Statement of financial position as on March 31, 2024

	Notes	2024	2023
		...AED...	
ASSETS			
Non-current Assets			
Property, plant and equipment	5	298,806	27,171
Investments	6	1,465,628	-
		<u>1,764,434</u>	<u>27,171</u>
Current Assets			
Trade and other receivables	7	2,307,142	1,842,223
Advances, deposits and prepayments	8	2,131,349	67,043
Due from related party	11	-	167,475
Cash and cash equivalents	9	342,378	252,427
		<u>4,780,869</u>	<u>2,329,167</u>
TOTAL ASSETS		<u>6,545,303</u>	<u>2,356,338</u>
EQUITY AND LIABILITIES			
Share capital	10	300,000	300,000
Shareholder current account		242,509	(1,789,620)
Retained earnings		5,508,939	1,997,094
Total equity		<u>6,051,448</u>	<u>507,474</u>
LIABILITIES			
Current Liabilities			
Provisions and accrued expense	12	307,026	200,000
Trade and other payables	13	186,829	171,658
Due to related party	11	-	1,477,206
		<u>493,855</u>	<u>1,848,864</u>
TOTAL EQUITY AND LIABILITIES		<u>6,545,303</u>	<u>2,356,338</u>

The financial statements on the pages 4 to 21 were approved on May 01, 2024 and signed on behalf of the entity, by:

Authorized Signatory

Abu Dhabi, UAE

May 01, 2024

The accompanying notes from 1 to 21 form an integral part of these financial statements.

Statement of comprehensive income for the year ended March 31, 2024

The financial statements on the pages 4 to 21 were approved on May 01, 2024 and signed on behalf of the entity, by:



VINSYS
 Lic. No. 01-2009683
 Abu Dhabi - U.A.E.
 INFORMATION TECHNOLOGY CONSULTANCY L.L.C.

VINSYS INFORMATION TECHNOLOGY CONSULTANCY L.L.C.

Statement of changes in equity for the year ended March 31, 2024

	Share capital	Retained Earnings	Shareholder Current Account ...AED...	Total
Balance as on April 01, 2022	300,000	-	-	300,000
Total comprehensive income for the year	-	1,997,094	-	1,997,094
Movements during the year	-	-	(1,789,620)	(1,789,620)
Balance as on March 31, 2023	300,000	1,997,094	(1,789,620)	507,474
Total comprehensive income for the year	-	3,511,845	-	3,511,845
Movements during the year	-	-	2,032,129	2,032,129
Balance as on March 31, 2024	300,000	5,508,939	242,509	6,051,448

The accompanying notes from 1 to 21 form an integral part of these financial statements.



VINSYS INFORMATION TECHNOLOGY CONSULTANCY L.L.C.

Statement of cash flows for the year ended March 31, 2024

	Notes	2024	2023
		...AED...	
Cash flows from operations			
Net profit for the year		3,511,845	1,997,094
Adjustment for:			
Depreciation	5	6,592	4,795
		<u>3,518,437</u>	<u>2,001,889</u>
Changes in working capital			
(Increase)/decrease in trade and other receivables	7	(464,919)	(1,842,223)
(Increase)/decrease in advances deposits and prepayments	8	(2,064,306)	(67,043)
(Increase)/decrease in due from related party	11	167,475	(167,475)
Increase/(decrease) in provision and accrued expenses	12	107,026	200,000
Increase/(decrease) in trade and other payables	13	15,171	171,658
Increase/(decrease) in due to related party	11	(1,477,206)	1,477,206
Net cash generated from/(used in) operating activities		<u>(198,322)</u>	<u>1,774,013</u>
Investing activities			
Additions in property, plant and equipment	5	(278,227)	(31,966)
Investments in subsidiaries	6	(1,465,628)	
Net cash generated from/(used in) investing activities		<u>(1,743,856)</u>	<u>(31,966)</u>
Cash flows financing activities			
Opening share capital	10	-	300,000
Change in shareholder current account		2,032,129	(1,789,620)
Net cash generated from/(used in) financing activities		<u>2,032,129</u>	<u>(1,489,620)</u>
Net increase in cash and cash equivalents		89,951	252,427
Cash and cash equivalents at the beginning of the year		252,427	-
Cash and cash equivalents at the end of the year	9	<u><u>342,378</u></u>	<u><u>252,427</u></u>

The accompanying notes from 1 to 21 form an integral part of these financial statements.



1 Legal status and nature of operations

- a VINSYS INFORMATION TECHNOLOGY CONSULTANCY L.L.C. was incorporated on February 09, 2021 and operates as a Limited Liability Company under license no. CN-3898683 issued by the Department of Economic Development Authority, Abu Dhabi, U.A.E.
- b The principal activity of the Company as per commercial license is administrative business training, computer software training, administrative consultancy and studies, computer systems and software designing, onshore and offshore oil and gas fields and facilities services.
- c The registered office of the Establishment is located at Office # 603, Floor # 6, Mutoor Road, Abu Dhabi, Emirate, Abu Dhabi, United Arab Emirates.
- d The management and control is vested with Mr. Imran Khan Athaullah Athaullah

2 Statement of compliance

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

3 Standards, interpretations and amendments to existing standards

3.1 Standards, interpretations and amendments to existing standards that are effective in 2019

IFRS 16 Leases - New (effective for accounting period beginning on or after January 1, 2019)

Impact of new standards

The International Accounting Standards Board (IASB) has published a new standard, IFRS 16 'Leases'. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17 'Leases' and related interpretations and is effective for periods beginning on or after 1 January 2019, with earlier adoption permitted if IFRS 15 'Revenue from Contracts with Customers' has also been applied

The application of the standards allows modified retrospective approach, with the cumulative effect of adopting IFRS 16 being recognized in equity as an adjustment to the opening balance of retained earnings for the current period. Prior periods do not need to be restated under this approach

The management has assessed that the adoption of this new Standard has no impact on the financial statements of the company.

3.2 Standards, interpretations and amendments to existing standards that are not yet effective and have not been adopted early by the Company

At the reporting date of these financial statements, several new, but not yet effective, Standards, amendments to existing Standards, and Interpretations have been published by the IASB. These Standards, amendments or Interpretations have not been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.



4 Summary of significant accounting policies

4.1 Overall consideration

These financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, surplus and expense. The measurement basis are more fully described in the accounting policies below.

4.2 Foreign currency

Functional and presentation currency

These financial statements are presented in United Arab Emirates Dirham (AED), which is the Company's functional and reporting currency.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognized in profit or loss.

4.3 Property and equipment

Property and equipment are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management.

Property and equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.

Material residual value estimates and estimates of useful life are updated as required, but at least annually, whether or not the asset is revalued.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss within 'other income/(expense) - net'.

4.4 Impairment testing of non-financial assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect their respective risk profiles, such as market and asset-specific risks factors.



4 Summary of significant accounting policies (continued)

4.4 Impairment testing of non-financial assets (continued)

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill (if any) allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

4.5 Financial instruments

Recognition, initial measurement and derecognition

All financial assets are recognised on trade date when the purchase of a financial asset is made under contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at cost, plus transaction costs, except for those financial assets classified as at fair value through other comprehensive income or profit or loss, which are initially measured at fair value. All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value.

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices for assets and offer prices for liabilities, at the close of business on the reporting date. If quoted market prices are not available, reference can also be made to broker or dealer price quotations.

The fair value of floating rate and overnight deposits with credit institutions is their carrying value. The carrying value is the cost of the deposit and accrued interest.

Subsequent measurement of financial assets and financial liabilities is described below.

Classification and subsequent measurement of financial assets

On initial recognition, a financial asset is classified and measured at amortized cost, Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL).

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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 profit on the principal amount outstanding.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio

level because this best reflects the way the business is managed, and information is provided to management.



4 Summary of significant accounting policies (continued)**4.5 Financial instruments (continued)****Assessment whether contractual cash flows are solely payments of principal and profit**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Profit' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic financing risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and profit, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

Impairment

The Company recognizes allowance for impairment for expected credit losses (ECL) on financial assets measured at amortized cost and commitments issued.

The Company measures allowance for impairment at an amount equal to lifetime ECL, except for those financial instruments on which credit risk has not increased significantly since their initial recognition, in which case 12-month ECL is measured.

Measurement of ECL

ECL are probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn finance commitments: as the present value of the difference between the contractual cash flows that are due to the Company if the commitment is drawn down and the cash flows that the Company expects to receive.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write-off

Assets carried at amortized cost and debt securities at FVOCI are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Company has exhausted all legal and remedial efforts to recover from the customers. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.



4 Summary of significant accounting policies (continued)

4.5 Financial instruments (continued)

Presentation of impairment

Loss allowance for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired,
- The Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement,
- The Company has transferred its rights to receive cash flows from the asset and either has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as FVOCI is not recognised in profit or loss account on derecognition of such securities.

The carrying amounts of Company's financial assets carried at amortized cost/cost and non-financial assets, except for deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

Non-financial assets

Non-financial assets, other than deferred taxes, are assessed at each reporting date for any indications of impairment. The recoverable amount of non-financial assets is the greater of their 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 pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is recognised when the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

All impairment losses in respect of non-financial assets are recognised in profit or loss and reversed only if there has been a change in the estimates used to determine the recoverable amount. Any impairment loss is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.



4 Summary of significant accounting policies (continued)**4.5 Financial instruments (continued)****Financial liabilities**

The Company's financial liability includes other payables and amount due to a related party. Such a financial liability is recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, this financial liability is measured at amortized cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Offsetting financial instruments

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

4.6 Cash and cash equivalents

Cash and cash equivalents are items, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents in the statement of financial position comprise cash on hand and balance in bank accounts and are initially and subsequently recorded at fair value.

For purpose of the statement of cash flows, all cash and bank balances are considered to be cash and cash equivalents.

4.7 Provisions and contingent liabilities

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Company and amounts can be estimated reliably.

Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events. Provisions are not recognized for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material. Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. In those cases, where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized.

4.8 Leases - Accounting policy applicable from 1 January 2019**Company as a lessee**

For any new contracts entered into on or after 1 January 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.



4 Summary of significant accounting policies (continued)**4.8 Leases - Accounting policy applicable from 1 January 2019 (continued)**

To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

Contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company

Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract

Company has the right to direct the use of the identified asset throughout the period of use. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Initial recognition

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability is reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in trade and other payables.

The Company as a lessor

As a lessor the Company classifies its leases as either operating or finance leases.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.



4 Summary of significant accounting policies (continued)

4.9 Revenue

Revenue is measured by reference to the fair value of consideration received or receivable, excluding rebates, and trade discounts.

The Company applies the revenue recognition criteria set out below to each separately identifiable component of the sales transaction in order to reflect the substance of the transaction. The consideration received from these multiple-component transactions is allocated to each separately identifiable component in proportion to its relative fair value.

Revenue is recognized when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Company's different activities have been met. These activity-specific recognition criteria are described below.

4.10 Operating expenses

Operating expenses are recognized in profit or loss upon utilization of the service or at the date of their origin.

4.11 Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Contract revenue

The stage of completion of any contract is assessed by management by taking into consideration all information available at the reporting date. In this process management exercises significant judgement about milestones, actual work performed and the estimated costs to complete the work.

Provision for doubtful debts

The Company assesses its trade receivables for impairment at each reporting date. In determining whether an impairment loss should be recorded in the profit or loss, the Company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables is calculated on an individual customer basis, based on historical loss ratios, adjusted for industry specific economic conditions and other indicators present at the reporting date that correlate with defaults on the individual customers.

4.12 Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.



4 Summary of significant accounting policies (continued)

4.12 Estimation uncertainty (continued)

Impairment of non-financial assets

An impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows.

In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Contract revenue

Recognized amounts of contract revenues and related receivables reflect management's best estimate of each contract's outcome and stage of completion. This includes the assessment of the profitability of on-going contracts. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation uncertainty.

Allowance for doubtful debts

An allowance for doubtful debts is determined using a combination of factors to ensure that the accounts receivable are not overstated due to un-collectability. The allowance for doubtful debts for all customers is based on a variety of factors, including the overall quality and aging of the receivables, continuing credit evaluation of customers' financial conditions and collateral requirements for customers in certain circumstances. Being dependent on aforementioned future event it is susceptible to change.

Useful life of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the groups. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.



5 Property, plant and equipment

	Capital Work in progress	Computer & IT Equipment	Furniture & Fixtures ...AED...	Web Application	Total
Cost					
As on April 01, 2023	-	-	31,966	-	31,966
Additions during the year	238,180	20,633	9,812	9,602	278,227
As on March 31, 2024	238,180	20,633	41,778	9,602	310,193
Depreciation					
As on April 01, 2023	-	-	4,795	-	4,795
Charge for the year	-	325	6,267	-	6,592
As on March 31, 2024	-	325	11,062	-	11,387
W.D.V as on March 31, 2024	238,180	20,308	30,716	9,602	298,806
W.D.V as on March 31, 2023	-	-	27,171	-	27,171



VINSYS INFORMATION TECHNOLOGY CONSULTANCY L.L.C.

Notes to the financial statements for the year ended March 31, 2024

	2024	2023
	...AED...	
6 Investments		
Investment in subsidiaries	1,465,628	-
	<u>1,465,628</u>	<u>-</u>
7 Trade & other receivables		
Trade receivables	2,160,989	1,842,223
WHT recoverable	28,829	-
Other receivables	117,324	-
	<u>2,307,142</u>	<u>1,842,223</u>
8 Advances, deposits and prepayments		
Prepayments	-	67,043
Advances	2,131,349	-
	<u>2,131,349</u>	<u>67,043</u>
9 Cash and cash equivalents		
Cash at bank	342,378	251,882
Cash in hand	-	545
	<u>342,378</u>	<u>252,427</u>
10 Share Capital		
The Company's share capital comprise of 300 share of AED 1,000 each. Shareholding is as under:		
Name	%age	Number of Shares
M/s. Vinsys Information Technology Services L.L.C	100%	300
	100%	300
		Value
		300,000
		300,000
11 Related party transactions and balances		
Related parties include the shareholders, key management personnel, fellow subsidiaries, associates, joint ventures, directors and entities which are controlled directly or indirectly by the shareholders or directors or over which they exercise significant management influence.		
The significant transactions with the related parties for the year ended are as follows:		
Due from related party:		
Vinsys Information Technology Consultancy L.L.C. (Dubai)	-	167,475
	-	167,475
Due to related party:		
Mr. Ali Hamad Abdullah Bin Tameem Al Tamimi	-	1,477,206
	-	1,477,206
12 Provisions and accrued expenses		
Provisions	307,026	200,000
	<u>307,026</u>	<u>200,000</u>
13 Trade and other payables		
Trade payables	56,747	20,087
Other payables	-	89,643
VAT payable	70,487	61,928
Salaries payable	59,595	-
	<u>186,829</u>	<u>171,658</u>



	2024	2023
	...AED...	
14 Revenue		
Sales	6,860,024	3,813,297
Other income	158,969	25,712
	<u>7,018,993</u>	<u>3,839,009</u>
15 Cost of revenue		
Direct costs	2,464,322	683,260
	<u>2,464,322</u>	<u>683,260</u>
16 Administrative and general expenses		
Salaries and other benefits	634,369	487,748
Bank fees and charges	9,109	16,987
Business promotion	40,824	22,190
Depreciation	6,592	4,795
Electricity charges	2,565	2,973
Legal expenses	1,864	1,298
Municipality expenses	-	4,420
Office expenses	22,793	8,205
Performance incentives	42,848	92,091
Printing & stationary	16,959	2,786
Professional fees	3,800	93,213
Renewals & subscriptions	9,160	7,263
Rent	130,803	121,480
Telephone charges	25,075	13,365
Training expenses	-	19,596
Travel expenses	77,680	7,975
Repairs and maintainance	4,203	-
Postage and courier	462	-
Insurance expense	2,866	-
Venue expense	-	44,044
Visa charges	19,142	8,226
Provision for E-Learning	-	200,000
	<u>1,051,114</u>	<u>1,158,655</u>

17 Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

(a) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.



2024 2023

...AED...

17 Risk management objectives and policies (continued)**(b) Foreign currency risk**

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company does not have major exposure to foreign currencies thus currency risks occurs only in respect of other currencies which is not significant.

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to this risk for various financial instruments, such as trade and other receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at the reporting date, as summarized below:

Classes of financial assets - carrying amounts:

Cash and cash equivalents	9	342,378	252,427
		<u>342,378</u>	<u>252,427</u>

(c) Credit risk (continued)

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

The Company's management considers that all the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

The credit risk for cash at bank is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

(d) Liquidity Risk

Liquidity risk also referred to as funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Trade and other payables	13	186,829	171,658
		<u>186,829</u>	<u>171,658</u>

(e) Interest Risk

Interest rate risk arises from the possibility that changes in interest rates will affect the finance income or finance cost of the Company. The interest rate risk exposure is deemed not significant.



2024 2023
...AED...

18 Fair value measurement

Assets and liabilities measured at fair value in the statement of financial position are grouped into three levels of fair value hierarchy. This grouping is determined based on the lowest level of significant inputs used in fair value measurement, as follows:

- i Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- ii Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- iii Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

None of the Company's financial instruments and non-financial asset and non-financial liabilities as at the reporting date are measured at fair value.

19 Capital management policies and procedures

The Company's capital management objectives are;

- i to ensure Company's ability to continue as a going concern;
- ii to maintain strong credit rating and healthy ratios to support business continuity;
- iii to maximize shareholder value; and
- iv to reduce cost of capital by maintaining optimal capital structure

The Company intends to achieve these objectives by pricing its services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity, less cash and cash equivalents as presented on the face of the statement of financial position. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, sell assets or obtain shares facilities may be adjusted.

Capital as at the reporting dates under review is summarized as follows:

Total equity		6,051,448	507,474
Cash and cash equivalents	9	342,378	252,427

20 Contingencies & commitments

The Company does not have any contingencies and commitments on the reporting date.

21 General

21.1 There were no events after the reporting period that are required to be adjusted in these financial statements.

21.2 The financials statements were approved and authorized on May 01, 2024.

