

OCEAN AQUATIC PROTIENS LLC

Financial Statements

For the year ended 31 March 2021

Registered Office:

P.O. Box: 21

Postal Code: 324

Sultanate of Oman.

OCEAN AQUATIC PROTIENS LLC

Financial statements
for the year ended 31 March 2021

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COMPANY INFORMATION:

REGISTRATION:

OCEAN AQUATIC PROTIENS LLC

Commercial Registration No.: 1317680

Incorporation date: 11, April 2018

Registered and paid up capital R.O.150,000/-

ACTIVITIES:

Manufacture of fish products

Trading business agencies

Extraction and refining of fish and marine mammal oils

Preparation and preservation of fish crustaceans and molluscs by drying and smoking

Activities of export and import offices

Goods warehouses

Retail sale in specialized stores of animal feeds.

SHAREHOLDERS:

Mr. Saif Salim Ahmed Al-Rawahi

M/S. Mukka Sea Food Industries

Mr. Mohammed Haris Kalandan

BANKERS:

Bank Muscat SAOG.

BUSINESS ADDRESS:

P.O. Box: 21

Postal Code: 324

Sultanate of Oman.

AUDITORS:

WHITEMARK CHARTERED ACCOUNTANTS

P.O. Box: A 2156

Postal Code: 900

Sultanate of Oman.

INDEPENDENT AUDITOR'S REPORT

**The Shareholders,
M/S. OCEAN AQUATIC PROTIENS LLC.**
Muscat | Sultanate of Oman.

Report on the financial statements

We have audited the financial statements of **M/S. OCEAN AQUATIC PROTIENS LLC**, ("the company") which comprise the statement of financial position for the period ended **31, March 2021** and the related statement of comprehensive income, statement of changes in equity and statement of cash flows then ended, and a summary of significant accounting policies and other explanatory notes set out on pages 6 to 13.

Management responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, the disclosure requirements of the Capital Market Authority and the Commercial Companies Law of 1974, as amended. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility


Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statement.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as at **31, March 2021** and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.



WHITE MARK CHARTERED ACCOUNTANTS

Dated: 07, August 2021

OCEAN AQUATIC PROTIENS LLC

Statement of financial position at 31 March 2021

Particulars	Note	Amount in Rial Omani (RO)	
		31.03.2021	31.03.2020
ASSETS:			
Non current assets			
Property, plant and equipment	3	975,700	1,093,329
Work in progress		211,878	-
Total non current assets		1,187,578	1,093,329
Current assets			
Inventories		288,113	166,336
Trade and other receivables	4	550,032	-
Deposits, prepayments and advances	5	305	6,218
Cash and cash equivalents	6	11,266	10,879
Total current assets		849,716	183,433
Total assets		2,037,294	1,276,762
MEMBERS' FUNDS AND LIABILITIES:			
Members' funds			
Share capital	7	150,000	150,000
Legal reserve	8	-	-
Retained earnings	8	(48,517)	(74,047)
Members' current account		(45,586)	26,475
Total Members' funds		55,897	102,428
Current liabilities:			
Unsecured loan		517,845	609,253
Bank borrowings and facilities		512,832	-
Trade and other payable	9	911,853	553,194
Accrued expenses and other liabilities	10	38,867	11,887
Total current liabilities		1,981,397	1,174,334
Total Members' funds and liabilities		2,037,294	1,276,762

These financial statements were approved by the Members' on 08, July 2021 and were signed on their behalf:

OCEAN AQUATIC PROTIENS LLC

(Director)



OCEAN AQUATIC PROTIENS LLC

Statement of comprehensive income for the period ended 31 March 2021

Particulars	Note	Amount in Rial Omani (RO)	
		01.04.2020 to 31.03.2021	01.04.2019 to 31.03.2020
Revenue		2,776,876	1,171,046
Other income		10,826	4,521
Cost of sales	11	(1,957,646)	(974,113)
Gross profit		830,056	201,454
Overhead			
General and administration cost	12	(633,384)	(89,279)
Depreciation		(166,636)	(63,962)
Total overhead		(800,020)	(153,241)
Profit / (loss) from operation		30,036	48,213
Net comprehensive income / (loss) before tax		30,036	48,213
Taxation @ 15%		4,506	7,232
Total comprehensive income / (loss) after tax		25,530	40,981

These financial statements were approved by the Members' on 08, July 2021 and were signed on their behalf:

OCEAN AQUATIC PROTIENS LLC


(Director)



OCEAN AQUATIC PROTIENS LLC

Statement of changes in equity for the period ended 31 March 2021

Amount in Rial Omani (RO)

Particulars	Share capital	Member's current a/c	Retained earnings	Legal reserve	Total
As at 01 April, 2019	150,000	110,845	(115,028)	-	145,817
Comprehensive income / (loss)	-	-	40,981	-	40,981
Transfers	-	-	-	-	-
Net movements	-	(84,370)	-	-	(84,370)
As at 31 March 2020	150,000	26,475	(74,047)	-	102,428
As at 01 April, 2020	150,000	26,475	(74,047)	-	102,428
Comprehensive income / (loss)	-	-	25,530	-	25,530
Transfers	-	-	-	-	-
Net movements	-	(72,061)	-	-	(72,061)
As at 31 March 2021	150,000	(45,586)	(48,517)	-	55,897



OCEAN AQUATIC PROTIENS LLC

Statement of cash flows for the period ended 31 March 2021

Particulars	Note	Amount in Rial Omani (RO)	
		31.03.2021	31.03.2020
Cash flows from operating activities:			
Comprehensive income / (loss)		25,530	40,981
Adjustments for:			
Depreciation		166,636	63,962
Operating income / (loss)		192,166	104,943
Movements in working capital:			
Decrease (increase) in inventories		(121,777)	118,297
Decrease (increase) in trade and other receivables		(550,032)	(221,391)
Decrease (increase) in deposits, prepayments and advances		5,913	6,218
Increase (decrease) in work in progress		(211,878)	392,657
Increase (decrease) in Due to related parties		(91,408)	-
Increase (decrease) in trade and other payable		358,659	340,867
Increase (decrease) in Accrued expenses and other liabilities		26,980	4,087
Net cash generated by operating activities		(391,377)	745,678
Cash flows from investing activities:			
Payment for property, plant and equipment		(50,007)	(866,286)
Deletion		1,000	-
Net cash (used in) by investing activities		(49,007)	(866,286)
Cash flows from financing activities:			
Increase (decrease) in share capital		-	-
Increase (decrease) in bank borrowings and facilities		512,832	-
Increase (decrease) in members' current account		(72,061)	109,382
Net cash (used in) by financing activities		440,771	109,382
Net increase in cash and cash equivalents		387	(11,226)
Cash and cash equivalents at beginning of year	6	10,879	22,105
Cash and cash equivalents at end of year	6	11,266	10,879



The accounting policies on page 06 to 13 form an integral part of the financial statement. Independent auditors report is on page 1

OCEAN AQUATIC PROTIENS LLC

Notes to financial statements
for the year ended 31 March 2021

1. Legal status and principal activities

1.1 Status

OCEAN AQUATIC PROTIENS LLC ("the Company") is a limited liability company, registered with Ministry of Commerce and Industry in accordance with the provisions of the Commercial Companies Law 1974, as amended, of the Sultanate of Oman by CR: 1317680, on 11, April 2018 with a share capital of RO: 150,000/-.

1.2 Activities

The company mainly engaged in Manufacture of fish products, Trading business agencies, Extraction and refining of fish and marine mammal oils, Preparation and preservation of fish crustaceans and molluscs by drying and smoking, Activities of export and import offices, Goods warehouses, Retail sale in specialized stores of animal feeds.

1.3 Shareholding pattern

The new Shareholding pattern of the company at the end of the year under review was as follows:

SI No.	Name of the Shareholders	%	Amount (RO)
1.	Mr. Saif Salim Ahmed Al-Rawahi	30	45,000.000
2.	M/S. Mukka Sea Food Industries	63	94,500.000
3.	Mr. Mohammed Haris Kalandan	07	10,500.000
	Total	100	150,000.000

1.4 Accounting year

These financial statements related to the year from 01, January 2020 to 31 March 2021. The previous year financial statements figures are related to the year from 01, April 2019 to 31 March 2020.

2. Significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as promulgated by the International Accounting Standards Board ("IASB"), interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and the requirements of the Commercial Companies Law 1974, as amended, of the Sultanate of Oman.

Basis of presentation

The financial statements have been prepared under the historical cost conversion and concern assumption, modified for certain assets and liabilities which are stated at their fair values as required by the IFRS. The preparation of financial statements is in conformity with IFRS that requires the use of certain critical accounting estimates. It also requires management to exercise judgment in process of applying the Company's accounting policies.

The accounting policies adopted have been consistently applied in dealing with items considered material to the company's financial statements.

2.2 Basis of measurement

The financial statements are prepared under the historical cost convention, modified to incorporate changes to the carrying values of property, plant and equipment as described in note 3 to the financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or Areas where assumptions and estimates are significant to the financial statements include useful lives of property, plant and equipment and provisions for impairment of receivables.

There have been new and revised standards and Interpretations issued by IASB and IFRIC that are applicable for accounting years commencing year. Considering the operations of the company, the aforesaid standards and interpretations have no effect on accounting and presentation of these financial statements.



OCEAN AQUATIC PROTIENS LLC

Notes to financial statements
for the year ended 31 March 2021

2 Significant accounting policies (continued)

• Adoption of new and revised IFRS

2.3 Amendments to IFRS 16 Covid-19 Related Rent Concessions:

On 28 May 2020, the Ministry IASB issued Covid-19-Related Rent Concessions amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16 if the change were not a lease modification. New standards, interpretations and amendments issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- Reference to the Conceptual Framework – Amendments to IFRS 3
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
- IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities.

The amendments to IFRS 10 and IAS 28 deal with situation where there is sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in the parent's profit and loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the re-measurement of investments retained in any former subsidiary (that has become an associate or joint venture that is accounted for using the equity method) to fair value are recognized in former parent's profit and loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

A summary of the significant accounting policies adopted in the preparation of these financial statements is set out below. These policies have been adopted for all the years presented, unless stated otherwise.

2.4 Foreign currency transactions

Transactions in foreign currencies are translated into Omani Rials at the rates prevailing on the date of transaction. Assets and liabilities denominated in foreign currencies are translated to Omani Rials at year end rates. Resultant realized and unrealized gains or losses are included in the statement of profit or loss and other comprehensive income.

2.5 Property, plant and equipments

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition for the asset. Subsequent costs are included in asset's carrying amount or recognized as a separate asset, inappropriate, 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 are charged to the statement of income during the financial year in which they incurred. The depreciation calculated on yearly basis. Depreciation is calculated by the straight-line method to write-off the cost of each asset to its estimated residual value over its expected useful economic life.

Depreciation is calculated rate on a straight line basis over the estimated useful lives of assets as follows:

Description	% per annum
Tools and equipments	15.00
Motor vehicles	20.00
Furniture and fixtures	20.00



OCEAN AQUATIC PROTIENS LLC

Notes to financial statements
for the year ended 31 March 2021

2 Significant accounting policies (continued)

Gains and losses on disposal of plant and equipment are determined by reference to their carrying amount and taken into account in determining net profit or loss.

Repairs and renewals are charged to the statement of profit or loss and other comprehensive income when the expenditure is incurred.

2.6 Trade and other receivables

Accounts receivable originated by the company is measured at cost. An allowance for credit losses of accounts receivable is established when there is objective evidence that the company will not be able to collect the amounts due. When an accounts receivable is uncollectible, it is written off against the allowance account for credit losses. An allowance for ECL of at amortized cost is established in accordance with the provision matrix in the ECL model as required by IFRS 9.

2.7 Inventories

Inventories are stated at the lower of cost and net realizable value. Inventories are valued based on the weighted average cost and comprise expenditure incurred in the normal course of business in bringing inventories to their present location and condition. Net realizable value is the estimate of the selling price less selling expenses incurred in the ordinary course of business. Where necessary, provision is made for obsolete, slow-moving and defective inventories

2.8 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and bank balances.

2.9 Trade payables

Trade payables are recognized for amounts to be paid in the future for goods or services, received, whether billed by the supplier or not.

2.10 Provisions

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

2.11 Employees' end of service benefits

In respect of Omani employees, contributions are made in accordance with the Omani Social Insurance Law and recognized as an expense in the statement of profit or loss and other comprehensive income as incurred.

For non-Omani employees, provision is made for amounts payable under the Oman Labour Law, based on the employees' accumulated periods of service at the statement of financial position date. This provision is classified as a non-current liability.

Employee entitlements to annual leave and air passage are recognized when they accrue to the employees and an accrual is made for the estimated liability for annual leave and air passage is disclosed as a part of current liabilities.

2.12 Operating leases

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

2.13 Revenue

The Company's revenue arises from the activities related to the manufacture of fish products. Contracts with customers for the sale of goods includes one performance obligation, being the delivery of goods to the end customers and therefore, revenue from the sale of goods is recognized at a point in time when control of the goods are transferred to the customers.



OCEAN AQUATIC PROTIENS LLC

Notes to financial statements
for the year ended 31 March 2021

2 Significant accounting policies (continued)

2.14 Foreign currency transactions

Foreign currency transactions are accounted for at the rates of exchange prevailing at the dates of the transactions. Gains and losses resulting from the settlement of such transactions and from the transaction, at the year-end rates, of monetary assets and liabilities denominated in foreign currencies, are recognized in the statement of profit or loss and other comprehensive income. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the end of the year. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date when the carrying value was determined.

2.15 Income tax

Income tax is provided for in accordance with the fiscal regulations of Sultanate of Oman.

Current tax is recognized in the statement of profit or loss and other comprehensive income as the expected tax payable on the taxable income for the year, using tax-rates enacted or substantially enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred taxation is provided using the liability method on all temporary differences at the statement of financial position date. It is calculated adopting a tax-rate that is the rate that is expected to apply to the periods when it is anticipated the liabilities will be settled, and which is based on tax-rates and laws that have been enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

2.16 Financial instruments

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.17 Capital management

The company's objectives when managing capital is to enable the entity to continue as a going concern, so that it can continue to provide adequate returns to the Members. There are no externally imposed capital requirements binding on the company. In order to maintain or adjust the capital structure, the company may adjust the amount of dividend paid to the Members, return capital to Members or issue additional capital.

2.18 Financial liabilities

The Company determines the classification of its financial liabilities at initial recognition. The classification depends on the business model for managing the financial liabilities and the contractual terms of the cash flows. In addition, the Company's activities expose it to a variety of financial risks: market risk (including currency rate risk, interest rate risk and price risk), credit risk and liquidity risk.

2.19 Work in progress

Work in progress of the amount towards work in progress being contract services / material supply work etc. carried by the company on behalf of its clients and still be concluded / certified accepted by its client as of the reporting date. In absence of any documentary evidence including customer's confirmation, technical evaluation etc., The same cannot independently be verified by us. Accordingly we are unable to comment on the ability of the company to convert these in to billable revenues and its subsequent recovery.

2.20 Borrowings

Borrowings are recognized initially at fair value, being their issue proceeds (fair value of consideration received) net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, any difference between the proceeds, net of transaction costs, and the redemption value is recognized in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method.



OCEAN AQUATIC PROTIENS LLC

Notes to financial statements
for the year ended 31 March 2021

2 Significant accounting policies (continued)

2.20 Borrowings (continues..)

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

2.21 Related parties

In the ordinary course of business, the Group conducts transactions with certain of its directors, shareholders, senior management and companies in which they have a significant interest. The Group engages in transactions with related parties only on arm's length terms and in accordance with relevant laws and regulations.

2.22 Taxation

Income tax is payable on profits earned by commercial entities at the rate of 15% on taxable profits. In respect of the year ended 31 March 2021; the Company has reported net profit from the operations and liable to income tax. Accordingly, provision has been made for tax.

2.23 Legal reserve

As required by the Commercial Companies Law of the Sultanate of Oman 1974, 10% of profits or one third of the Share capital for the year has to be transferred to legal reserve. The company may resolve to discontinue such annual transfers when the reserve amount totals one third of the paid up share capital company. The reserve is not available for distribution to the proprietor. However, as there is no profit during the year, no amount has been added to legal reserve.

2.24 Related party transactions

The company enters into transactions with another firm and /or persons that falls within the definitions of related party as contained in International Financial Reporting Standards. The shareholder considers that the terms of trade with such related parties are similar to those extended to or received from third parties and are on an arm's length basis. Related party comprises of shareholder (if any).

2.25 Financial risk and capital management

The company's financial assets include accounts and other receivables and bank balances and cash. Financial liabilities include employees' end of service benefits, accounts and other payables bank borrowings and current taxation. The financial assets and financial liabilities approximate their carrying values.

The company's activities expose it to various financial risks, primarily being, market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The company's risk management is carried out internally in accordance with the approval of the Members.

2.26 Estimates and judgments

In preparing the financial statements, the Members are required to make estimates and assumptions which affect reported income and expenses, assets, liabilities and related disclosures. The use of available information and application of judgments based on historical experience and other factors are inherent in the formation of estimates. Actual results in the future could differ from such estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised and in any future years affected. In particular estimates that involve uncertainties and judgments which have significant effect on the financial statements include allowances for credit losses and provision for slow-moving inventories.

2.27 Comparative figures and level of precision

Certain comparative figures have been reclassified to conform to the presentation adopted in these financial statements. The comparative figures presented in these financial statements were audited by another firm of Public Accountants. All figures are rounded off to the nearest Rials Omani.



OCEAN AQUATIC PROTIENS LLC

Notes to financial statements

for the period from 01 April 2021 to 31 March 2021

3 Property, plant and equipment (Fixed assets)

Amount in Rial Omani (RO)

Asset type/ description	Buildings	Motor vehicles	Furniture & fixtures	Tools and equipment	Plant and machinery	Total
Gross value:						
Balance at 01 April 2020	77,202	36,289	2,624	627,532	426,411	1,170,058
Addition	4,190	39,095	2,829	720	3,173	50,007
Deletion	-	(1,000)	-	-	-	(1,000)
Balance at 31 March 2021	81,392	74,384	5,453	628,252	429,584	1,219,065
Accumulated depreciation:						
Balance at 01 April 2020	5,913	7,389	656	31,336	31,435	76,729
For the period	3,019	13,399	959	89,537	59,722	166,636
Balance at 31 March 2021	8,932	20,788	1,615	120,873	91,157	243,365
Net Value - 31 March 2021	72,460	53,596	3,838	507,379	338,427	975,700
Net Value - 31 March 2020	71,289	28,900	1,968	596,196	394,976	1,093,329

31.03.2021 31.03.2020

4 Trade and other receivables:

Trade and other receivables

550,032 -
550,032 -

5 Deposits, prepayments and advances:

Deposits, prepayments and advances

305 6,218
305 6,218

6 Cash and cash equivalents:

Cash on hand
Balance with the bank in current accounts

10,411 517
855 10,362
11,266 10,879



OCEAN AQUATIC PROTIENS LLC

Notes to financial statements

for the period from 01 April 2021 to 31 March 2021

Amount in Rial Omani (RO)
31.03.2021 31.03.2020**7 Share capital:**

Share capital comprises of RO. 150,000/- fully paid up equity shares of RO. 1/- each.

8 Reserves and surplus:

Legal reserve	-	-
Retained earnings	(48,517)	(74,047)
	(48,517)	(74,047)

9 Trade and other payable:

Trade and other payable	911,853	553,194
	911,853	553,194

10 Accrued expenses and other liabilities:

Accrued expenses and other liabilities	38,867	11,887
	38,867	11,887

11 Cost of sales :

Opening stock	166,336	48,039
Purchases	1,966,704	877,356
Other direct cost	112,719	215,054
Closing stock	(288,113)	(166,336)
	1,957,646	974,113

12 General and administration cost:

Rent	73,175	450
Staff and associated cost	151,978	-
Electricity and water	169,285	3,973
Communication expenses	4,016	6,412
Fee and charges	13,891	6,411
Bank charges	38,002	-
Export and import expenses	126,645	39,003
Printing and stationary	973	371
Traveling expenses	20,025	4,895
Vehicle running expenses	10,500	8,580
Forex Fluctuation	19,167	14,777
Repair and maintenance	5,727	-
Office and other expenses	-	4,407
	633,384	89,279



OCEAN AQUATIC PROTIENS LLC

Notes to financial statements
for the year ended 31 March 2021

13. Financial risk management

Risk Management is a process, by which the Group identifies key risks by applying consistent risk measurement techniques, recommends which risks accepting or rejecting or mitigating, by what means and establishes procedures to monitor and report the resulting risk position for necessary action.

The objective of risk management is to ensure that the Group operates within the risk appetite levels set by its Board of Directors while various business functions pursue their objective of maximizing the risk adjusted returns. In the Group, risk is defined as the potential for loss or an undesirable outcome in relation to expected earnings, capital adequacy or liquidity, leading to volatility in earnings. The Bank has exposure to the following core risks:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

Risk management is the overall responsibility of the Group's Board of Directors and managed through the Board Risk Committee (BRC). The Board of Directors reviews and approves the risk management strategy and defines the risk appetite of the Group. To facilitate achievement of the Group's strategic objectives within the Board approved risk appetite, the Group has established a Management Risk Committee (MRC). The Management Risk Committee provides recommendations to the Board of Directors through BRC on the risk-reward strategy, risk appetite, policies and framework for managing various risks. For the purpose of day-to-day management of risks, the Group has established an independent Risk Management Department (RMD), which objectively reviews and ensures that the various functions of the Group operate in compliance with the risk parameters set by the Board of Directors. The Risk Management Department acts independently of the business with direct reporting to the Board of Directors.

The Group's risk management processes have proven to be effective throughout the year and remain well supported by a strong risk culture. The Group's Board has remained closely involved with key risk management initiatives, ensuring effective management of the Group's risks, maintenance of appropriate levels of liquidity and capital in line with the evolving requirements.

The Group recognises risk management process as a key to achieve its objective of enhancing shareholder value and as an area of core competence. It continues to invest in enhancing its risk management capabilities, to ensure that it is able to deliver on its growth plans while managing the underlying risks in an effective manner.

14. Fair values of financial instruments

Financial instruments consist of financial assets and liabilities. Financial assets and liabilities carried on the statement of financial position include cash and bank balances, trade and other receivables, long term loan, due from a related party, advance from a related party and trade and other payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

The fair values of the Company's financial assets and liabilities are not materially different from their carrying amounts.

15. Comparative figures

Certain comparative figures of the previous year have been either regrouped or reclassified, wherever necessary, in order to confirm with the presentation adopted in the current year's financial statements. Such regrouping or reclassification did not affect previously reported net profit or members' equity, except for the effect of adoption of IFRS 9 and IFRS 15 which have been adjusted through the opening members' equity. As the corresponding previous year figures are not restated to give this impact, they are not comparable.

