

## ABANS GLOBAL LIMITED

### Report of the Directors and Audited Financial Statements

#### **Period of accounts**

**Start date:** 01 April 2020

**End date:** 31 March 2021

ABANS GLOBAL LIMITED  
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For the year ended 31 March 2021

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# ABANS GLOBAL LIMITED

## Company Information For the year ended 31 March 2021

<b>Directors</b>	Abhishek Pradeep Bansal Harshan Sankarakutty KollaraSamir Rambihari Rai
<b>Registered Number</b>	07225900
<b>Registered Office</b>	208 Uxbridge Road Shepherds Bush London W12 7JD
<b>Auditors</b>	Focus Somar Audit & Tax Accountants Ltd301, Third floor, Middlesex House 130 College RoadHarrow HA1 1BQ

ABANS GLOBAL LIMITED  
Strategic Report  
For the year ended 31 March 2021

**Principal Activity and Business Review**

Abans Global Limited ('AGL') has been authorized and regulated by the Finance Conduct of Authority ('FCA') since 2<sup>nd</sup> April 2013 and commenced its business activities since then. The company is dealing in Investment as a Principal and Agent. Additionally, the company is involved in business of dealing in securities, commodities, derivatives and currencies and also acts a Financial advisor. AGL is a leading financial service providing firm which provides brokerage services to several professional and institutional clients.

**Principal risks and uncertainties**

The company has risk management objectives, policies and procedures in place. Responsibility has been apportioned within the entity for ensuring that risk arising from its activities are identified, monitored and controlled and mitigated in an appropriate and timely manner. This responsibility is divided among the board, the Compliance and Risk Management Function and operation and Finance function. The company's tolerance for risk is low.

**Financial Key performance indicators**

Management considers the increase in turnover of the company as the key performance indicators.

**Financial risk management objectives and policies**

The financial risk management objective is to maintain sufficient liquidity and capital so that the company can always meets its liabilities and regulatory requirements.

The financial risk is mitigated by monitoring on an ongoing basis the financial strength of credit institutions with whom the company holds deposits and assets. Further mitigation is the fact that the company executes transactions on delivery-versus-payment basis with counterparties and holds collateral where credit is provided to a selection of clients under margin account facilities. The company has no significant concentration of credit risk.

At the reporting date, the main risk to which the Group were exposed as follows:

**Foreign currency exchange risk**

The company has foreign currency exposure through its management and advisory fee income, which is invoiced in US Dollars. The advances received from company's customers and those invested with the brokers are all denominated in US Dollars which reduces its exposure to currency fluctuations.

**Trader error risk**

Although AGL does not take principal positions, and merely executes client's orders, it still runs the risk of trader dealing errors. The impact of these errors caused by poor broker execution and/or the misunderstanding of a client order could lead to a loss of revenue.

In order to mitigate this risk, trading is directly done by the clients and risk is managed by the brokers. Clients are experienced and our Risk Officer keeps an eye on trading activities.

**Other Risks**

**Covid-19**

Due to the outbreak of the pandemic, the group will face certain uncertainties and disruptions, usual business transactions with banks, operational difficulty as most of its staff will operate from home. The pandemic could result in significant market volatility and increase the risk of UK recession.

ABANS GLOBAL LIMITED  
Strategic Report  
For the year ended 31 March 2021

Following the unprecedented outbreak of the corona virus (Covid-19) pandemic, the company acted swiftly to implement its business continuity plan, the company already use off site managed IT systems which have been successfully managed throughout the lockdown, with no reported issues.

The economic impact of the crisis has presented challenges however the company has maintained a robust capital and liquidity position in recent years to and is well placed to tackle with the immediate and long-term challenges faced as a result of Covid-19.

**Brexit**

The UK formally left the EU on 31 December 2020. Brexit is one of the most significant economic events for the UK, and its effect is subject to unprecedented level of uncertainty of outcomes, with the full range of possibilities unknown. The UK financial market and industry remains extremely competitive and challenging and the company expects these challenges will continue this year. However, the company is well prepared along with its robust team to facilitate its clients in the competitive environment. The directors are closely monitoring the impact on the company's trade customers, regulatory requirement and legal consequences of the event. Since, the most of the clients of the company are based on Middle East and South Asian region, therefore, the directors do not anticipate material impact on the company's activities as a result of Brexit.

This report was approved by the board on.....25<sup>th</sup> June 2021.....and signed on its behalf



Harshan Sankarakutty Kollara  
Director

ABANS GLOBAL LIMITED  
Directors' Report  
For the year ended 31 March 2021

The directors present their annual report and the audited financial statements for the year ended 31<sup>st</sup> March 2021.

**Directors**

The directors who served the company throughout the year were as follows:

Abhishek Pradeep Bansal  
Harshan Sankarakutty Kollara  
Samir Rambihari Rai

**Results and Dividends**

The profit for the year, after taxation, amounted to \$922,077(including fair valuation gain) (2020 -\$1,347,624) The directors have not recommended a dividend.

**Statement of directors' responsibilities**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations and in accordance with United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these financial statements, the directors are required to :

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

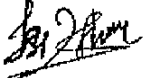
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom, governing the preparation and dissemination of financial statements, may differ from legislation in other jurisdictions

**Statement of disclosure of information to auditor**

Each director who held office at the date of approval of this report confirms that: so far as the director is aware, there is no relevant audit information needed by the company's auditor in connection with preparing their report of which the company's auditor is unaware; and the director has taken all the steps that they ought to have taken as a director in order to be aware of any relevant audit information and to

ABANS GLOBAL LIMITED  
Directors' Report  
For the year ended 31 March 2021

establish that the company's auditor is aware of that information. This report was approved by the board and signed on its behalf



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Harshan Sankarakutty Kollara  
Director

Date approved: 25<sup>th</sup> June 2021

**ABANS GLOBAL LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABANS GLOBAL LIMITED**

For the year ended 31 March 2021

**Opinion**

We have audited the financial statements of Abans Global Limited for the year ended 31 March 2021 which comprise Income Statement, Balance Sheet and notes to the financial position, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland Section (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Conclusions relating to going concern**

Material uncertainty related to going concern (emphasis of matter)

We draw attention to note 1 related to going concern in the financial statements. As stated in note 1, for its continued existence of the company, due to possible significant impact of Covid-19 in the market of financial instruments and company's ability to continue same level of business activities as set forth in note 1 related to going concern, indicate that some market uncertainty exists that may cast significant doubt on the company's ability to continue as going concern. Our opinion is not modified in respect of this matter.

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



ABANS GLOBAL LIMITED  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABANS GLOBAL  
LIMITED

For the year ended 31 March 2021

**Other Information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, 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.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or certain
- disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

ABANS GLOBAL LIMITED  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABANS GLOBAL  
LIMITED

For the year ended 31 March 2021

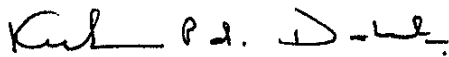
**Responsibilities of directors**

As explained more fully in the directors responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**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 (UK) 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.



Krishna Prasad Dahal (Senior Statutory Auditor)  
For and on behalf of Focus Somar Audit & Tax Accountants Ltd  
Chartered Certified Accountants and Statutory Auditors  
301, Third floor, Middlesex House  
130 College Road  
Harrow  
HA1 1BQ  
Date:

28<sup>th</sup> June 2021

ABANS GLOBAL LIMITED  
Income Statement  
For the year ended 31 March 2021

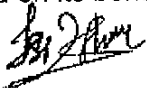
	Notes	2021 \$	2020 \$
<b>Turnover</b>		1,066,262	1,330,686
Cost of sales		(601,761)	(954,237)
<b>Gross profit</b>		<u>464,501</u>	<u>376,449</u>
Administrative expenses		(345,083)	(283,291)
Other operating income	3	833,388	1,533,143
<b>Operating Profit</b>	4	<u>952,806</u>	<u>1,626,301</u>
Other interest receivable and similar income	7	14,172	41,539
Interest payable and similar charges	8	(829)	(4,107)
<b>Profit/Loss on ordinary activities before taxation</b>		<u>966,149</u>	<u>1,663,733</u>
Tax on profit on ordinary activities	9	(44,072)	(316,109)
<b>Profit/Loss for the financial year</b>		<u>922,077</u>	<u>1,347,624</u>

ABANS GLOBAL LIMITED  
Balance Sheet  
As at 31 March 2021

	Notes	2021 \$	2020 \$
<b>Fixed assets</b>			
Investments	10	6,788,945	6,782,707
		<b>6,788,945</b>	<b>6,782,707</b>
<b>Current assets</b>			
Debtors	11	34,670,392	14,408,714
Cash at bank and in hand		9,981,684	3,768,236
		<b>44,652,076</b>	<b>18,176,950</b>
<b>Creditors: amount falling due within one year</b>	12	<b>(26,611,015)</b>	<b>(12,051,728)</b>
<b>Net current assets</b>		<b>18,041,061</b>	<b>6,125,222</b>
<b>Total assets less current liabilities</b>		<b>24,830,006</b>	<b>12,907,929</b>
<b>Net assets</b>		<b>24,830,006</b>	<b>12,907,929</b>
 <b>Capital and reserves</b>			
Called up share capital	13	7,863,263	7,013,954
Share premium account	14	14,578,478	4,427,787
Profit and loss account	15	2,388,265	1,466,188
<b>Shareholders' funds</b>		<b>24,830,006</b>	<b>12,907,929</b>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime of Part 15 of the Companies Act 2006.

The financial statements were approved by the board of directors on 24th June 2021 and were signed on its behalf by:



Harshan Sankarakutty  
Kollara  
Director

**ABANS GLOBAL LIMITED**  
**Statement of Changes in Equity**  
**For the year ended 31 March 2021**

	Equity share capital \$	Preference share capital \$	Equity share premium \$	Retained Earnings \$	Total \$
At 01 April 2019	<b>1,661,048</b>	<b>5,000,000</b>	<b>2,380,693</b>	<b>118,564</b>	<b>9,160,305</b>
Profit for the year				1,347,624	1,347,624
Total comprehensive income for the year	-	-	-	<b>1,347,624</b>	<b>1,347,624</b>
Shares issued	352,906				352,906
Equity share premium - new issue			2,047,094		2,047,094
Total investments by and distributions to owners	<b>352,906</b>	-	<b>2,047,094</b>	-	<b>2,400,000</b>
At 31 March 2020	<b>2,013,954</b>	<b>5,000,000</b>	<b>4,427,787</b>	<b>1,466,188</b>	<b>12,907,929</b>
At 01 April 2020	<b>2,013,954</b>	<b>5,000,000</b>	<b>4,427,787</b>	<b>1,466,188</b>	<b>12,907,929</b>
Profit for the year				922,077	922,077
Total comprehensive income for the year	-	-	-	<b>922,077</b>	<b>922,077</b>
Shares issued	849,309	-	-		849,309
Equity share premium - new issue			10,150,691		10,150,691
Shares redeemed		-			-
Total investments by and distributions to owners	<b>849,309</b>	-	<b>10,150,691</b>	-	<b>11,000,000</b>
At 31 March 2021	<b>2,863,263</b>	<b>5,000,000</b>	<b>14,578,478</b>	<b>2,388,265</b>	<b>24,830,006</b>

**ABANS GLOBAL LIMITED**  
**Statement of Cash flows**  
For the year ended 31 March 2021

	<b>2020</b>	<b>2019</b>
	\$	\$
<b>Cash flows from operating activities</b>		
Profit for the financial year	922,077	1,347,624
<b>Adjustments for:</b>		
Interest paid	829	4,107
Interest received	(14,172)	(41,539)
Dividend received	(81,695)	
Taxation charge	27,814	27,225
Deferred tax	16,258	288,884
Decrease/(increase) in debtors	(25,709,250)	679,071
(Increase)/decrease in amounts owed by groups	3,960,950	(7,149,501)
Increase/(decrease) in creditors	358,440	1,733,063
(Decrease)/increase in amounts owed to groups	14,339,589	5,863,467
Corporation tax (paid)/received	(29,814)	(32,362)
Gain on revaluation	(751,693)	(1,520,441)
<b>Net cash generated from operating activities</b>	<b>(6,960,667)</b>	<b>1,199,598</b>
<b>Cash flows from investing activities</b>		
Increase in loans and advances	1,486,622	(1,486,622)
Investment in subsidiary	(13,628)	-
Disposal of Investment	759,083	-
Dividend received	81,695	-
Interest received	14,172	41,539
<b>Net cash from investing activities</b>	<b>2,327,944</b>	<b>(1,445,083)</b>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares (including share premium)	11,000,000	2,400,000
Interest paid	(829)	(4,107)
<b>Net cash used in financing activities</b>	<b>10,999,171</b>	<b>2,395,893</b>
<b>Net increase in cash and cash equivalents</b>	<b>6,366,448</b>	<b>2,150,408</b>
Cash and cash equivalents at beginning of year	3,615,236	1,464,828
<b>Cash and cash equivalents at the end of year</b>	<b>9,981,684</b>	<b>3,615,236</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	9,981,684	3,768,236
Bank overdrafts	-	(153,000)
	<b>9,981,684</b>	<b>3,615,236</b>

**ABANS GLOBAL LIMITED**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2021**

**General Information**

Abans Global Limited is a private company, limited by shares, registered in England and Wales, registration number 07225900, registration address 208 Uxbridge Road, Shepherds Bush, London, W12 7JD.

**1. Accounting policies**

**Significant accounting policies**

**Statement of compliance**

These financial statements have been prepared in compliance with FRS 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

**Basis of preparation**

The financial statements have been prepared on the going concern basis and under the historical cost convention as modified by the revaluation of investments and certain financial instruments measured at fair value through profit and loss in accordance with the accounting policies.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 2).

The financial statements are prepared in US Dollars which is the functional currency of the company.

**Going concern**

Company's management have assessed the appropriateness of going concern assumption in the current context of COVID-19 pandemic, possible economic downturn after Brexit, management have taken into consideration of all available and relevant information specific to company about the future, which is at least, but is not limited to, twelve months from the date when the financial statements are authorised for issue.

Management has considered the impact of Corona virus on customers, suppliers and staff to assess whether the entity is able to continue to operate if staffs were not able to physically be present, and how long could the entity survive given the availability of cash resources and the flexibility of its cost base. The impact of economic downturn following the Brexit is negligible to company it is early to assess the full impact, however company director is carefully assessing the possible future impacts.

Management has prepared detailed forecasts in the given situation of the rapidly evolving nature of the pandemic & following the Brexit, considering all the relevant factors to determine the effect of different variables, regularly updated until the financial statements are authorized for issue with the potential scenarios and managements plans.

The directors believe that the company is expecting continued and regular levels of sales and profitability, and that it is well placed to manage its business risks successfully assessing the current context. Accordingly, the company have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Hence, the company continue to adopt the going concern basis of accounting in preparing the financial statements.

**ABANS GLOBAL LIMITED**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2021**

**Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract; the
- stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**Operating leases: the Company as lessee**

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognized on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All foreign exchange differences are included to the income statement.

**Taxation**

Tax is recognised in the Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.



**ABANS GLOBAL LIMITED**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2021**

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Valuation of investments**

Investments in subsidiaries, associates and jointly controlled entities are held at fair value with fair value gains and losses are recognised in profit and loss.

Investments in gold are held at fair value with gains and losses recognised in profit and loss.

Fair value is the amount for which an asset, liability or equity instrument could be exchanged or settled between knowledgeable, willing parties in an arm's length transaction.

**Provisions**

Provisions are recognised when the company has a present obligation as a result of a past event which it is more probable than not will result in an outflow of economic benefits that can be reasonably estimated.

**Preference shares**

The company's preference share is an equity instrument as the entity has no obligation to deliver cash or another financial asset. This instrument is not subject to mandatory redemption for a fixed or determinable amount at a fixed or determinable time, nor there is mandatory condition for fixed dividend, and dividends are non-cumulative however company may be able to redeem and pay fixed dividend to the shareholder, at its option.

**Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably.
- at cost less impairment for all other investments.

**ABANS GLOBAL LIMITED**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2021**

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate.

The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

#### **Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### **Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

#### **Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **Interest income**

Interest income is recognised in the income statement using the effective interest method.

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**Dividend income**

Dividend income from investment is recognised when the shareholder's right to receive the payment is established.

**Finance costs**

Finance costs are charged to the income statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**Borrowing costs**

All borrowing costs are recognised in the income statement in the year in which they are incurred.

**Dividends**

Proposed dividends are only included as liabilities in the balance sheet when their payment has been approved by the shareholders prior to the balance sheet date.

**2. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are considered to be no key sources of estimation uncertainty or judgements which would have a significant impact on amounts recognised in the financial statements.

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**3. Other operating income**

	2021	2020
	\$	\$
Other Operating Income (Taxable)		12,702
Gain on sale of investment	240,367	-
Gain on fair value of investments	511,326	1,520,441
Other Operating Income(Non taxable)	<u>81,695</u>	<u>-</u>
	<b>833,388</b>	<b>1,533,143</b>

**4. Operating profit/(loss)**

	2021	2020
	\$	\$
The operating profit is stated after charging:		
Directors' emoluments	26,793	25,736
Auditors' remuneration	22,896	24,240
Operating leases	17,856	18,184

**5. Directors' Emoluments**

	2021	2020
	\$	\$
<b>Administrative Expenses</b>		
Directors Salaries	<u>26,793</u>	<u>25,736</u>
	<b>26,793</b>	<b>25,736</b>

**6. Staff Costs**

	2021	2020
	\$	\$
Wages and salaries	8,219	6,838
Other staff costs	-	757
	<u>8,219</u>	<u>7,595</u>

**7. Other interest receivable and similar income**

	2021	2020
	\$	\$
Interest Receivable and Other Income	<u>14,172</u>	<u>41,539</u>
	<b>14,172</b>	<b>41,539</b>

**8. Interest payable and similar charges**

	2021	2020
	\$	\$
Bank & Other Loan Interest	<u>829</u>	<u>4,107</u>
	<b>829</b>	<b>4,107</b>

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**9. Tax on profit on ordinary activities**

	<b>2021</b>	<b>2020</b>
	\$	\$
UK Corporation Tax	27,814	27,225
Current Year Deferred Tax	16,258	288,884
	<b>44,072</b>	<b>316,109</b>

**10. Investments**

<b>Cost</b>	Investments in group undertakings	Investments in gold	<b>Total</b>
	\$	\$	\$
At 01 April 2020	518,716	6,263,991	6,782,707
Additions	13,628	-	13,628
Disposals	(759,083)	-	(759,083)
Revaluations	240,367	511,326	751,693
At 31 March 2021	<b>13,628</b>	<b>6,775,317</b>	<b>6,788,945</b>

During the year, the company disposed its investment in Abans International Limited (incorporated in The Republic of Mauritius) at a gain of \$666,123 out of which gain of \$425,757 was recognized in the previous year i.e., FY 2019-20 resulting in a net gain of \$240,366 recognised during FY 2020-21.

During the year, the company has acquired investment in Abans Global Trading DMCC (incorporated in U.A.E), 100% shareholding, at a cost of \$13,628, operating in United Arab Emirate carrying the business of provision of investment services.

**11. Debtors: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	\$	\$
Amount Owed by Group Undertakings	3,188,554	7,149,501
Prepayments & Accrued Income	14,406	4,376
Other Debtors	31,467,432	5,768,215
Loans and Advances	-	1,486,622
	<b>34,670,392</b>	<b>14,408,714</b>

**12. Creditors: amount falling due within one year**

	<b>2021</b>	<b>2020</b>
	\$	\$
Bank Loans & Overdrafts	-	153,000
Amounts Owed to Group Undertakings	23,332,893	8,993,304
Corporation Tax	25,225	27,225
Accrued Expenses	33,281	30,076
Other Creditors	2,914,474	2,559,239
Deferred Tax Liability	305,142	288,884
	<b>26,611,015</b>	<b>12,051,728</b>

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**13. Share capital account**

	2021	2020
	\$	\$
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
2,117,988 (2020 – 1,482,666) Ordinary Shares shares of £1 each	2,863,263	2,013,954
5,000,000 Preference Share shares of \$1 each	5,000,000	5,000,000
	<b>7,863,263</b>	<b>7,013,954</b>

**Issue of new equity shares**

The company has issued 635,322 new shares of £1 to Abans Broking Services Pvt Ltd during the year.

**14. Share premium account**

	2021	2020
	\$	\$
Equity Share Premium b/fwd	4,427,787	2,380,693
Equity Share Premium - New Issue	10,150,691	2,047,094
	<b>14,578,478</b>	<b>4,427,787</b>

**15. Profit and loss account**

		\$
Balance at 01 April 2020		1,466,188
Profit for the year		922,077
Balance at 31 March 2021		<b>2,388,265</b>

**16. Related Party transactions**

During the period, the group entered into transactions, in the ordinary course of business, with related parties. Transaction entered into, and balances outstanding at 31 March 2021, are as follows:

	2021	2020
	\$	\$
Sales to group entities	349,741	258,803
Amount due to group entities	23,332,894	8,993,304
Purchases from other group entities	18,000	18,000
Purchases from other related parties	42,563	41,850
Amounts due from group entities	3,188,555	7,149,501
Amount due to other related parties	11,175	18,802
Services provided by entities controlled by key management	42,563	41,850
Amounts due to entities controlled by key management	11,175	18,802

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<b>Group Entities</b>	<b>Nature of Transactions</b>
Abans Middle East DMCC	Client - Trading
Abans International Limited	Client - Trading
Abans Broking Services Private Limited	Accounting charges
Caspian Trading HK Ltd	Client – Trading
Abans Gems & Jewels Trading FZE	Client – Trading
Evergreen LLC	Client – Trading
Abans Global Trading DMCC	Other Receivables
Abans Investment Manager Mauritius	Other Receivables

**Other Related Parties**

Harshan Kollara - Value Finance	Directorship fees & Office Rent
Samir Rai - GSR Associates Ltd	Directorship fees

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including directors. Total amounts paid to key management personnel during the year was \$42,563 (2020- \$41,850).

**17. Events after Balance sheet date: the impact of Corona virus**

Following the outbreak of the Covid-19 pandemic, the company is monitoring the developments of the pandemic including second wave and possible third wave and evaluating its impact to the financial position and operating results of the company. As at the date on which this set of financial statements were authorized for issue, the management evaluated the performance in 2020-21 and concluded that company's operation is not materially affected by the pandemic and is in regular operation. The company does not currently anticipate any significant reduction of its activities and liquidity positions over the coming year.

**18. Reserves**

Share premium includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account includes all current and prior period retained profits and losses, less dividends paid.

**19. Commitments under operating leases**

The Company had no commitments under the non-cancellable operating leases as at the balance sheet date.

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**20. Parent undertaking**

The group's immediate parent undertakings are ABans Securities Private Limited and Abans Broking Services Pvt Ltd, companies incorporated in India. The ultimate parent undertaking is ABans Holdings Private Limited, a company incorporated in India.

**21. Controlling party**

The group is controlled by Abhishek Pradeep Bansal by virtue of his controlling shareholding in the ultimate parent undertaking, ABans Holdings Private Limited.