

SJM ELYSIUM PROPERTIES L.L.C

Financial Statements

31 March 2016

SJM ELYSIUM PROPERTIES L.L.C

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SJM ELYSIUM PROPERTIES L.L.C
Managing Director's Report

The Managing Director submit his report and accounts for the year ended 31 March 2016.

Results and appropriations

The results of the company and the appropriations made for the year ended 31 March 2016 are set out on pages 5 & 6 of the financial statements.

Review of the business

The activity of the company during the year remains the same as development of residential project in the emirate of Dubai.

Events since the end of the year

There were no important events which have occurred since the year-end that materially affect the company.

Partners and their interests

The partners at 31 March 2016 and their interests as at that date in the share capital of the company were as follows:

	<i>No. of shares</i>	<i>AED</i>
Dubai Holdings LLC	153	153,000
Zuari Infra Middle East Limited	<u>147</u>	<u>147,000</u>
	<u>300</u>	<u>300,000</u>

Auditors

A resolution to re-appoint the auditors and fix their remuneration will be put to the board at the annual general meeting.

V Varma

Vinay Varma
MANAGING DIRECTOR



INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF SJM ELYSIUM PROPERTIES L.L.C

Report on the Financial Statements

We have audited the accompanying financial statements of **SJM ELYSIUM PROPERTIES L.L.C**, which comprise the statement of financial position as at 31 March 2016, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's 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 and the UAE Federal Law No. 2 of 2015, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company'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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **SJM ELYSIUM PROPERTIES L.L.C** as at 31 March 2016 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

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

- 1) We have obtained all the information we considered necessary for the purpose of our audit;
- 2) The financial statements have been prepared and comply, in all material respects, with applicable provisions of the UAE Federal Law No. 2 of 2015;
- 3) The company has maintained proper books of accounts;
- 4) The financial information included in the Managing Director's report is consistent with the books of accounts of the company;

**INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF
SJM ELYSIUM PROPERTIES L.L.C****Report on Other Legal and Regulatory Requirements (cont'd)**

- 5) Note 9 to the financial statements discloses material related party transactions and the terms under which they were conducted; and
- 6) Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the company has contravened during the year any of the applicable provisions of the UAE Federal Law No 2 of 2015, or in respect of the company, its Articles of Association which would materially affect its activities or its financial position as at 31 March 2016.



Signed by:
C. D. Shah
Partner
Registration No. 677
Shah & AlShamali Associates Chartered Accountants
12 April 2016
Dubai



SJM ELYSIUM PROPERTIES L.L.C

Statement of Financial Position
31 March 2016

	<i>Notes</i>	2016 AED	2015 AED
ASSETS			
Development properties	5	26,053,257	3,720,832
Prepayment		11,505	57,522
Cash and cash equivalents	6	<u>178,838</u>	<u>184,696</u>
Total assets		<u>26,243,600</u>	<u>3,963,050</u>
EQUITY AND LIABILITY			
Capital and reserves			
Partners' funds			
Share capital	7	300,000	300,000
Accumulated losses		<u>(347,811)</u>	<u>(259,316)</u>
Total partners' funds		<u>(47,811)</u>	<u>40,684</u>
LIABILITY			
Due to a parent company	8	<u>26,291,411</u>	<u>3,922,366</u>
Total equity and liability		<u>26,243,600</u>	<u>3,963,050</u>

The notes on pages 8 to 13 form an integral part of these financial statements.


MANAGING DIRECTOR



اس جیہ ام پلسیوم للعقارات ش.ذ.م.م
SJM ELYSIUM PROPERTIES L.L.C
P.O. Box: 117809, DUBAI - U.A.E.

SJM ELYSIUM PROPERTIES L.L.C

Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 March 2016

	<i>2016</i> <i>AED</i>	<i>2015</i> <i>AED</i>
Expenditure		
Rent	(46,017)	(53,969)
Other administrative expenses	<u>(42,478)</u>	<u>(46,278)</u>
Total expenditure	<u>(88,495)</u>	<u>(100,247)</u>
Loss for the year	(88,495)	(100,247)
Other comprehensive income / (loss)	_____ -	_____ -
Total comprehensive loss for the year	<u>(88,495)</u>	<u>(100,247)</u>

The notes on pages 8 to 13 form an integral part of these financial statements.

SJM ELYSIUM PROPERTIES L.L.C

Statement of Changes in Equity
for the year ended 31 March 2016

	<i>Share capital AED</i>	<i>Accumulated losses AED</i>	<i>Total AED</i>
As at 31 March 2014	300,000	(159,069)	140,931
Loss for the year	_____ -	(100,247)	(100,247)
As at 31 March 2015	300,000	(259,316)	40,684
Loss for the year	_____ -	(88,495)	(88,495)
As at 31 March 2016	<u>300,000</u>	<u>(347,811)</u>	<u>(47,811)</u>

The notes on pages 8 to 13 form an integral part of these financial statements.

SJM ELYSIUM PROPERTIES L.L.C

Statement of Cash Flows
for the year ended 31 March 2016

	<i>Note</i>	<i>2016</i> <i>AED</i>	<i>2015</i> <i>AED</i>
<u>Cash flows from operating activities</u>			
Loss for the year		<u>(88,495)</u>	<u>(100,247)</u>
Operating loss before working capital changes		(88,495)	(100,247)
(Increase)/ decrease in development properties		36,620	221,531
(Increase)/ decrease in prepayment		<u>46,017</u>	<u>(15,057)</u>
Net cash from / (used in) operating activities		<u>(5,858)</u>	<u>106,227</u>
Net increase/ (decrease) in cash and cash equivalents		(5,858)	106,227
Cash and cash equivalents at the beginning of the year		<u>184,696</u>	<u>78,469</u>
Cash and cash equivalents at the end of the year	6	<u>178,838</u>	<u>184,696</u>

The notes on pages 8 to 13 form an integral part of these financial statements.

SJM ELYSIUM PROPERTIES L.L.C**Notes to the Financial Statements**
*for the year ended 31 March 2016***1. Legal status and activity**

SJM ELYSIUM PROPERTIES LLC (the “company”) is a limited liability company incorporated in the Emirate of Dubai in accordance with the provisions of Article 218 of the U.A.E. Federal Commercial Companies Law No. (8) of 1984 (as amended). The registered address of the company is P O Box 117809, Dubai, UAE.

The company was engaged in the development of real estate project during the year. The entire project is supported by the parent companies.

2. Basis of preparation*Statement of compliance*

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and the applicable requirements of U.A.E. laws.

Basis of measurement

The financial statements are prepared under the historical cost basis.

Functional and presentation currency

The financial statements have been presented in UAE Dirhams, being the functional and presentation currency of the company.

Use of estimates and judgements

The preparation of the financial statements requires management to make estimates and assumptions that may affect the reported amount of financial assets and liabilities, revenues, expenses, disclosure of contingent liabilities and the resultant provisions and fair values. Such estimates are necessarily based on assumptions about the several factors and actual results may differ from reported amounts.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in note 4.

Adoption of new and revised International Financial Reporting Standards (IFRS)

The company adopted all applicable accounting standards and amendments which are effective for annual periods beginning on or after 1 April 2015. The company has not early adopted any other standard, interpretation or amendment that has been issued but are not yet effective.

SJM ELYSIUM PROPERTIES L.L.C**Notes to the Financial Statements**
*for the year ended 31 March 2016***3. Summary of significant accounting policies**

The accounting policies, which are consistent with those used in the previous year, in dealing with items that are considered material in relation to the financial statements are as follows:

Development properties

Properties in the course of construction for sale in the ordinary course of business are classified as development properties and are stated at lower of cost or net realizable value. Cost includes:

- Amounts paid to contractors for construction including the cost of construction of infrastructure: and
- Borrowing costs, planning and design costs, cost of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Net realizable value is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money if material, less cost to completion and the estimated costs of sale.

The management reviews the carrying values of the development property on an annual basis.

Financial instruments

Financial assets and financial liabilities are recognized when, and only when, the company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognized when, and only when, the contractual rights to receive cash flows expire or when substantially all the risks and rewards of ownership have been transferred.

Financial liabilities are de-recognized when, and only when, they are extinguished, cancelled or expired.

Financial assets

The financial assets include cash balance.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand that is readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

Financial liabilities

The financial liabilities include due to a parent company.

Other payable

Liabilities are recognized for amounts to be paid in the future for services received, whether invoiced or not.

SJM ELYSIUM PROPERTIES L.L.C**Notes to the Financial Statements,
for the year ended 31 March 2016****Summary of significant accounting policies (cont'd)****Foreign currency transactions**

Transactions in foreign currencies are converted into UAE Dirhams at the rate of exchange ruling as on date of transaction. Assets and liabilities expressed in foreign currencies are translated into UAE Dirhams at the rate of exchange ruling at the date of statement of financial position. Resulting gain or loss is taken to the statement of profit or loss and other comprehensive income.

4. Significant judgment employed in applying accounting policies and key sources of estimation and uncertainty**4.1 Significant judgment employed**

The significant judgment made in applying accounting policies that has the most significant effect on the amounts recognized in the financial statements pertains to impairment. At each reporting date, management conducts an assessment of all financial assets and development properties to determine whether there are any indications that they may be impaired.

In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made. In the case of loans and receivables, if an amount is deemed irrecoverable, it is written off to profit or loss and other comprehensive income or, if previously a provision was made, it is written off against the provision. Reversals of provisions against loans and receivables are made to the extent of the related amounts being recovered.

4.2 Key sources of estimation and uncertainty

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

Impairment

Assessment of net recoverable amount of all financial assets and development properties, per above, are based on assumptions regarding future cash flows expected to be received from related assets.

5. Development properties

Properties in the course of construction for sale in the ordinary course of business are classified as development properties and includes the costs of:

- Amounts paid to contractors for construction including the cost of construction of infrastructure; and
- Borrowing costs, planning and design costs, cost of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

SJM ELYSIUM PROPERTIES L.L.C

Notes to the Financial Statements,
for the year ended 31 March 2016**Development properties (cont'd)**

This represents payments made / advances given to consultants, government agencies, and expenses for development of residential project as below:

	<i>2016</i> <u>AED</u>	<i>2015</i> <u>AED</u>
Project expenses	15,631,743	640,450
Management fees	6,000,000	2,270,000
Expenses	784,549	430,215
Interest on loans	1,314,288	274,908
Loan processing fees and finance charges	<u>2,322,677</u>	<u>105,259</u>
	<u>26,053,257</u>	<u>3,720,832</u>

6. Cash and cash equivalents

This represents balance of cash on hand as at the date of statement of financial position.

7. Share capital

300 shares of AED 1,000 each	<u>300,000</u>	<u>300,000</u>
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8. Due to a parent company

This represents payments made / advances given to consultants, government agencies, management consultancy fee and expenses incurred by the parent shareholder company on behalf of the company for real estate development which is unsecured, non-interest bearing and without any fixed repayment schedule.

9. Related party transactions and balances

The company in the normal course of business enters into transactions with other business enterprises that fall within the definition of related party as contained in the International Accounting Standard - 24.

Related parties comprise the ultimate parent company and parent shareholder company as under:

Zuari Infracore India Limited, India – *Ultimate parent company*
Zuari Infra Middle East Limited, U.A.E. – *Parent shareholder company*

The significant related party transaction during the year represents charge of management fees of AED 6,000,000 (previous year AED 2,270,000) by the parent shareholder company.

The company receives non-interest bearing funds from a related party as and when required to meet with its working capital requirements. As at the date of statement of financial position, amounts due to a related party is disclosed in note 8.

SJM ELYSIUM PROPERTIES L.L.C

Notes to the Financial Statements,
for the year ended 31 March 2016**10. Financial instruments: Credit, liquidity and market risk exposures****Credit risk**

There are no significant concentrations of credit risk from outside the industry in which the company operates.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet financial obligations as they fall due. The liquidity requirements are monitored on a regular basis by the parent company and the management who ensure that sufficient funds are made available to the company to meet any future commitments.

The following are the contractual maturities of the company's financial liability as at 31 March 2016:

	<i>Carrying amounts AED</i>	<i>Payables within 1 year AED</i>	<i>Payable within 1 – 5 years AED</i>
Due to parent company	26,291,411	-	26,291,411
	<u>26,291,411</u>	<u>-</u>	<u>26,291,411</u>

Market risk

Market risk is a risk that changes in market prices, such as interest rate risk and currency risk, will affect the company's income or the value of its holdings of financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In the absence of interest bearing borrowings, there is no interest rate risk.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. There is no significant currency risk as substantially all financial assets and financial liabilities are denominated in UAE Dirham or US Dollars to which the UAE Dirham rate is fixed.

11. Financial instruments: Fair values

The fair values of the company's financial assets, comprising development properties and cash balance and financial liability comprising due to parent company are approximate to their carrying values.

SJM ELYSIUM PROPERTIES L.L.C

Notes to the Financial Statements,
for the year ended 31 March 2016**12. Contingent liabilities**

There were no contingent liabilities of a significant amount outstanding at the date of statement of financial position.

	<i>2016</i> <i>AED</i>	<i>2015</i> <i>AED</i>
13. Capital commitments		
Contracted but not provided for	<u>20,958,955</u>	<u> -</u>

14. Comparative figures

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

Previous year's figures are as per unaudited management accounts.

15. Approval of the financial statements

The financial statements were approved by the Managing Director and authorized for issue on 12 April 2016.



رخصة تجارية
Commercial License

تفاصيل الرخصة / License Details

License No.	690820	رقم الرخصة	
Company Name	SJM ELYSIUM PROPERTIES L.L.C	اسم الشركة	اس جيه ام ايليسيوم للعقارات ش.ذ.م.م
Trade Name	SJM ELYSIUM PROPERTIES L.L.C	الإسم التجارى	اس جيه ام ايليسيوم للعقارات ش.ذ.م.م
Legal Type	Limited Liability Company(LLC)	الشكل القانونى	ذات مسئولية محدودة
Expiry Date	19/06/2016	تاريخ الإصدار	20/06/2013
D&B D-U-N-S ® No.		رقم الرخصة الاصدار	690820
Register No.	1117584	رقم الرخصة الاصدار	690820
		رقم العالمى	
		رقم التسجيل التجارى	
		DCCI No.	220084
		عضوية الغرفة	

اطراف الرخصة / License Members

Share / الحصص	Role / الصفة	Nationality / الجنسية	رقم الشخص / No.	Name / الاسم
	Manager / مدير	India / الهند	596349	فيماى فارما / VINAY VARMA MOHAN LAL VARMA مohan Lal Farma

نشاطات الرخصة التجارية / License Activities

Real Estate Development

التطوير العقاري

العنوان / Address

Telephone	971-4-3465508	تليفون	P.O. Box	117809	صندوق البريد
Fax		فاكس	Parcel ID	358-460	رقم القطعة
Mobile No	971-50-8882887	الهاتف المتحرك	مكتب رقم 108 - ملك الشيخ راشد بن خليفة آل مكتوم - ديرة - القرمود		

الملاحظات / Remarks

تم انسحاب الشركاء ودخول الشريك وتغيير المدير بتاريخ 2015/01/19
تم نقل الموقع في 2015/7/12

Print Date 03/02/2016 11:30 تاريخ الطباعة Receipt No. 12210710 رقم الإيصال

Activity
Owners

الجهات التي لها
صلاحية متابعة أنشطة

(وثيقة إلكترونية معتمدة وصادرة بدون توقيع من دائرة التنمية الاقتصادية، لمراجعة صحة البيانات الواردة في الرخصة برجاء زيارة الموقع <http://www.dubaied.gov.ae>)
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