



# **FLEXIGLOBAL HOLDINGS LIMITED**

Financial Statements  
For the year ended 31 March 2022

(Original)

# **FLEXIGLOBAL HOLDINGS LIMITED**

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Financial Statements  
For the year ended 31 March 2022

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# **FLEXIGLOBAL HOLDINGS LIMITED**

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## **BOARD OF DIRECTORS AND OTHER OFFICERS**

<b>Board of Directors:</b>	David Savva Brainservices (Nominees) Limited
<b>Company Secretary:</b>	Esano Secretarial Limited
<b>Independent Auditors:</b>	Nexia Poyiadjis Ltd Certified Public Accountants and Registered Auditors
<b>Registered office:</b>	2 Sophouli Street Chanteclair Building, 8th Floor, Flat/office 801 1096, Nicosia Cyprus
<b>Registration number:</b>	HE238405

## **Independent Auditor's Report**

### **To the Members of Flexiglobal Holdings Limited**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the accompanying financial statements of parent company Flexiglobal Holdings Limited (the "Company"), which comprise the statement of financial position as at 31 March 2022, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of parent company Flexiglobal Holdings Limited as at 31 March 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

##### **Basis for Opinion**

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

##### **Emphasis of Matter**

We draw attention to note 4 of the financial statements where it is indicated that the financial statements have not been prepared on a going concern basis but on a break up basis, since it is the intention of the members to liquidate the Company as soon as relevant arrangements are made. Our opinion is not qualified in respect of this matter.

##### **Responsibilities of the Board of Directors for the Financial Statements**

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Independent Auditor's Report (continued)**

### **To the Members of Flexiglobal Holdings Limited**

#### **Responsibilities of the Board of Directors for the Financial Statements (continued)**

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

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

## **Independent Auditor's Report (continued)**

### **To the Members of Flexiglobal Holdings Limited**

#### **Other Matter**

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.



**Raffi Boyadjian**  
**Certified Public Accountant and Registered Auditor**  
for and on behalf of  
**Nexia Poyiadjis Ltd**  
**Certified Public Accountants and Registered Auditors**

Nicosia, 13 January 2023

## FLEXIGLOBAL HOLDINGS LIMITED

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2022

	Note	01/04/2021- 31/03/2022 GB£	01/04/2020- 31/03/2021 GB£
<b>Loan interest income</b>	11	<b>1.972</b>	1.520
Loan interest expense	14	<u>(7.889)</u>	<u>(6.077)</u>
<b>Net interest expense</b>		<b>(5.917)</b>	(4.557)
Administration expenses	7	<b>(8.770)</b>	(9.368)
Net impairment loss on financial assets	11	<u>(167.078)</u>	-
<b>Operating loss</b>		<b>(181.765)</b>	<u>(13.925)</u>
Finance income		<b>10.546</b>	24.186
Finance costs		<u>(11.295)</u>	<u>(20.294)</u>
Net finance (costs)/income	8	<u>(749)</u>	<u>3.892</u>
<b>Loss before tax</b>		<b>(182.514)</b>	(10.033)
Tax	9	-	<u>(457)</u>
<b>Net loss for the year</b>		<b>(182.514)</b>	<u>(10.490)</u>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive expense for the year</b>		<b>(182.514)</b>	<u>(10.490)</u>

The notes on pages 9 to 26 form an integral part of these financial statements.

# FLEXIGLOBAL HOLDINGS LIMITED

## STATEMENT OF FINANCIAL POSITION

31 March 2022

	Note	31/03/2022 GB£	31/03/2021 GB£
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment in subsidiary	10	-	100.000
Other financial assets at amortised cost	11	-	158.141
		<u>-</u>	<u>258.141</u>
<b>Current assets</b>			
Other financial assets at amortised cost	11	1	-
Investment in subsidiary	10	100.000	-
Cash at bank	12	45.804	49.346
<b>Total assets</b>		<u>145.805</u>	<u>307.487</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	13	96.732	96.732
Accumulated losses		(290.949)	(108.435)
<b>Total equity</b>		<u>(194.217)</u>	<u>(11.703)</u>
<b>Non-current liabilities</b>			
Borrowings	14	-	196.157
		<u>-</u>	<u>196.157</u>
<b>Current liabilities</b>			
Trade and other payables	15	127.599	122.044
Borrowings	14	211.434	-
Current tax liabilities	16	989	989
		<u>340.022</u>	<u>123.033</u>
<b>Total liabilities</b>		<u>340.022</u>	<u>319.190</u>
<b>Total equity and liabilities</b>		<u>145.805</u>	<u>307.487</u>

On 13 January 2023 the Board of Directors of Flexiglobal Holdings Limited authorised these financial statements for issue.



David Savva  
Director



Brainservices (Nominees) Limited  
Director

The notes on pages 9 to 26 form an integral part of these financial statements.



## FLEXIGLOBAL HOLDINGS LIMITED

### STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2022

	Share capital GB£	Accumulated losses GB£	Total GB£
<b>Balance at 1 April 2020</b>	<b>96.732</b>	<b>(97.945)</b>	<b>(1.213)</b>
Net loss for the year	-	(10.490)	(10.490)
<b>Balance at 31 March 2021</b>	<b>96.732</b>	<b>(108.435)</b>	<b>(11.703)</b>
<b>Balance at 1 April 2021</b>	<b>96.732</b>	<b>(108.435)</b>	<b>(11.703)</b>
Net loss for the year	-	(182.514)	(182.514)
<b>Balance at 31 March 2022</b>	<b>96.732</b>	<b>(290.949)</b>	<b>(194.217)</b>

The notes on pages 9 to 26 form an integral part of these financial statements.

# FLEXIGLOBAL HOLDINGS LIMITED

## STATEMENT OF CASH FLOWS

For the year ended 31 March 2022

	01/04/2021- 31/03/2022	01/04/2020- 31/03/2021
Note	GB£	GB£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Loss before tax</b>	<b>(182.514)</b>	(10.033)
Adjustments for:		
Unrealised exchange profit	8 <b>(2.418)</b>	(4.779)
Impairment charge - other financial assets at amortised cost	11 <b>167.078</b>	-
Interest income	11 <b>(1.972)</b>	(1.520)
Interest expense	14 <b>7.889</b>	6.077
	<b>(11.937)</b>	(10.255)
<b>Changes in working capital:</b>		
Increase in trade and other payables	<b>7.404</b>	8.460
<b>Cash used in operations</b>	<b>(4.533)</b>	(1.795)
Tax paid	-	-
<b>Net cash used in operating activities</b>	<b>(4.533)</b>	(1.795)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	-	-
<b>Net decrease in cash and cash equivalents</b>	<b>(4.533)</b>	(1.795)
Cash and cash equivalents at beginning of the year	<b>49.346</b>	50.791
Effect of exchange rate fluctuations on cash held	<b>991</b>	350
<b>Cash and cash equivalents at end of the year</b>	12 <b>45.804</b>	49.346

The notes on pages 9 to 26 form an integral part of these financial statements.

# **FLEXIGLOBAL HOLDINGS LIMITED**

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## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2022

### **1. Incorporation and principal activities**

#### **Country of incorporation**

Flexiglobal Holdings Limited (the "Company") was incorporated in Cyprus on 22 September 2008 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 2 Sophouli Street, Chanteclair Building, 8th Floor, Flat/office 801, 1096, Nicosia, Cyprus.

#### **Principal activities**

The principal activities of the Company, which remain unchanged from prior year, are the holding of investments and the group financing.

### **2. Basis of preparation**

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. The financial statements have been prepared under the historical cost convention.

These financial statements are the separate financial statements. The Company has not prepared consolidated financial statements as the exemption from consolidation in paragraph 4(a) of IFRS10 'Consolidated Financial Statements', has been used. The Company's parent is Flexituff Ventures International Ltd, a Company incorporated in India, produced consolidated financial statements available for public use that comply with International Financial Reporting Standards as issued by the IASB. These consolidated financial statements can be obtained at Flexituff Ventures International Ltd official site.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

### **3. Adoption of new or revised standards and interpretations**

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 April 2021. This adoption did not have a material effect on the accounting policies of the Company.

### **4. Significant accounting policies**

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

#### **Going concern basis**

The financial statements have not been prepared on a going concern basis but on a break up basis, since it is the intention of the members to liquidate the Company as soon as relevant arrangements are made.

# FLEXIGLOBAL HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 4. Significant accounting policies (continued)

#### Subsidiary companies

Subsidiaries are entities controlled by another entity (known as the parent). Control exists where the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

#### Revenue

##### Revenue is recognised on the following bases:

- **Interest income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

#### Loan interest expense

Interest expense on borrowings is charged to profit or loss account as incurred.

#### Finance income

Finance income include foreign exchange differences resulting from the settlement of transactions in currency other than the functional currency and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies.

#### Finance costs

Finance costs include bank charges that are charged to profit or loss as incurred and foreign exchange differences resulting from the settlement of transactions in currency other than the functional currency and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies.

#### Foreign currency translation

**(1) Functional and presentation currency**

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Great Britain Pounds (GB£), which is the Company's functional and presentation currency.

**(2) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

# FLEXIGLOBAL HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 4. Significant accounting policies (continued)

#### Tax

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

#### Dividends

Dividend distribution to the Company's shareholders is recognised in the Company's financial statements in the year in which they are approved by the Company's shareholders.

#### Financial assets and liabilities

##### Financial assets - Classification

The Company classifies its financial assets in the measurement category of those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

##### Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

##### Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

# FLEXIGLOBAL HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 4. Significant accounting policies (continued)

#### Financial assets (continued)

#### Financial assets - Measurement (continued)

##### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The measurement category into which the Company classifies its debt instruments is the following:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in 'other income'. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss and other comprehensive income. Financial assets measured at amortised cost (AC) comprise: cash and cash equivalents, bank deposits with original maturity over 3 months, trade receivables and financial assets at amortised cost.

#### Financial assets - impairment - credit loss allowance for ECL

The Company assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at amortised cost and FVOCI and exposure arising from loan commitments and financial guarantee contracts. The Company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within "net impairment losses on financial and contract assets. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments carried at amortised cost are presented in the statement of financial position net of the allowance for ECL.

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

For all financial instruments that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

# **FLEXIGLOBAL HOLDINGS LIMITED**

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## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2022

### **4. Significant accounting policies (continued)**

#### **Financial assets (continued)**

##### **Financial assets - impairment - credit loss allowance for ECL (continued)**

Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to note 5, Credit risk section, for a description of how the Company determines when a SICR has occurred. If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Company's definition of credit impaired assets and definition of default is explained in note 5, Credit risk section.

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

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

#### **Financial liabilities - measurement categories**

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

#### **Borrowings**

Borrowings are recorded initially at the proceeds 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 recognised in profit or loss over the period of the borrowings using the effective interest method.

#### **Trade and other payables**

Trade and other payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

# FLEXIGLOBAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 4. Significant accounting policies (continued)

#### Share capital and share premium

Share capital is recognized at the fair value of consideration received. Any excess over the nominal value of shares is taken to the share premium reserve.

Cost incurred for issuing new share capital when the issuance results in a net increase or decrease to equity are charged directly to equity. Costs incurred for issuing new share capital when the issuance does not result in a change in equity are taken to profit or loss.

#### Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

#### Non-current liabilities

Non-current liabilities represent amounts that are due more than twelve months from the reporting date.

#### Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

### 5. Financial risk management

#### Financial risk factors

The Company is exposed to interest rate risk, credit risk, liquidity risk, currency risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

#### 5.1 Cash flow and fair value interest rate risk

The Company's interest rate risk arises from interest-bearing assets and borrowings. Interest-bearing assets and borrowings at variable rates expose the Company to cash flow interest rate risk. Interest bearing assets and borrowings issued at fixed rates expose the Company to fair value interest rate risk.

At the reporting date the interest rate profile of interest-bearing financial instruments was:

	<b>31/03/2022</b>	31/03/2021
	<b>GB£</b>	GB£
<b>Fixed rate instruments</b>		
Financial assets	<b>167.079</b>	158.141
Financial liabilities	<b>(211.434)</b>	(196.157)
<b>Variable rate instruments</b>		
Financial assets	<b>45.804</b>	49.346
	<b>1.449</b>	11.330



# FLEXIGLOBAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 5. Financial risk management (continued)

#### 5.1 Cash flow and fair value interest rate risk (continued)

##### *Sensitivity analysis*

An increase of 100 basis points in interest rates at 31 March 2022 would have increased profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. For a decrease of 100 basis points there would be an equal and opposite impact on the profit or loss.

	Profit or loss	
	01/04/2021- 31/03/2022	01/04/2020- 31/03/2021
	GB£	GB£
Variable rate instruments	<u>458</u>	493
	<u>458</u>	<u>493</u>

#### 5.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents and contractual cash flows of debt investments carried at amortised cost.

##### *(i) Risk management*

Credit risk is managed on an group basis. For banks and financial institutions, the Company has established policies whereby the majority of bank balances are held with independently rated parties.

##### *(ii) Impairment of financial assets*

The Company has the following types of financial assets that are subject to the expected credit loss model:

- financial assets at amortised cost
- cash and cash equivalents

##### *Significant increase in credit risk*

The Company considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)

# FLEXIGLOBAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 5. Financial risk management (continued)

#### 5.2 Credit risk (continued)

##### *(ii) Impairment of financial assets (continued)*

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the country risk rate of default to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in these factor. No significant changes to estimation techniques or assumptions were made during the reporting period.

The Company's exposure to credit risk for each class of (asset/instrument) subject to the expected credit loss model is set out below:

#### **Financial assets at amortised cost**

A summary of the assumptions underpinning the Company's expected credit loss model is as follows:

<b>Category</b>	<b>Company definition of category</b>	<b>Basis for recognition of expected credit loss provision</b>	<b>Basis for calculation of interest revenue</b>
Performing	Counterparties have a low risk of default and a strong capacity to meet contractual cash flows	Stage 1: 12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	Gross carrying amount
Underperforming	Counterparties for which there is a significant increase in credit risk; as significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due (see above in more detail)	Stage 2: Lifetime expected losses	Gross carrying amount
Non-performing	Interest and/or principal repayments are 90 days past due	Stage 3: Lifetime expected losses	Amortised cost carrying amount (net of credit allowance)
Write-off	Interest and/or principal repayments are 180 days past due and there is no reasonable expectation of recovery.	Asset is written off	None

# FLEXIGLOBAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 5. Financial risk management (continued)

#### 5.2 Credit risk (continued)

(ii) Impairment of financial assets (continued)

#### Other financial assets at amortised cost

The gross carrying amounts below represent the Company's maximum exposure to credit risk on these assets as at 31 March 2022 and 31 March 2021:

<b>Company internal credit rating</b>	<b>31/03/2022</b>	31/03/2021
	<b>GB£</b>	GB£
Performing	-	158,141
Not performing	<b>167,078</b>	-
<b>Total</b>	<b>167,078</b>	<b>158,141</b>

#### Cash and cash equivalents

The Company assesses, on a group basis, its exposure to credit risk arising from cash at bank. This assessment takes into account, ratings from external credit rating institutions and internal ratings, if external are not available.

The gross carrying amounts below represent the Company's maximum exposure to credit risk on these assets as at 31 March 2022 and 31 March 2021:

<b>External credit rating</b>	<b>31/03/2022</b>	31/03/2021
	<b>GB£</b>	GB£
BBB - B	<b>45,804</b>	49,346
<b>Total</b>	<b>45,804</b>	<b>49,346</b>

The Company held cash and cash equivalents of GB£45,804 at 31 March 2022 (31 March 2021: GB£49,346). The cash and cash equivalents are held with a bank which is rated Ba2 (31 March 2021: B1) based on Moody's Ratings.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and the identified impairment loss was immaterial.

(iii) Net impairment losses on financial assets recognised in profit or loss

During the year, the following losses were recognised in profit or loss in relation to impaired financial assets:

<b>Impairment losses</b>	<b>01/04/2021-</b>	01/04/2020-
	<b>31/03/2022</b>	31/03/2021
	<b>GB£</b>	GB£
Impairment charge - other financial assets at amortised cost (Note 11)	<b>(167,078)</b>	-
<b>Net impairment loss on financial assets</b>	<b>(167,078)</b>	<b>-</b>

## FLEXIGLOBAL HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

#### 5. Financial risk management (continued)

##### 5.3 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

31 March 2022	Carrying	Contractual	3-12 months	1-5 years
	amounts	cash flows		
	GB£	GB£	GB£	GB£
Trade and other payables	8.112	8.112	8.112	-
Payables to related parties	119.487	119.487	119.487	-
Loan from parent company	211.434	219.048	219.048	-
	<b>339.033</b>	<b>346.647</b>	<b>346.647</b>	<b>-</b>

  

31 March 2021	Carrying	Contractual	3-12 months	1-5 years
	amounts	cash flows		
	GB£	GB£	GB£	GB£
Trade and other payables	9.221	9.221	9.221	-
Payables to related parties	112.823	112.823	112.823	-
Loan from parent company	196.157	209.249	-	209.249
	<b>318.201</b>	<b>331.293</b>	<b>122.044</b>	<b>209.249</b>

##### 5.4 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar and the Euro. The Company's Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities		Assets	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	GB£	GB£	GB£	GB£
United States Dollars	(219.826)	(204.173)	169.494	162.723
Euro	(83.316)	(78.137)	14	14
	<b>(303.142)</b>	<b>(282.310)</b>	<b>169.508</b>	<b>162.737</b>

# FLEXIGLOBAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 5. Financial risk management (continued)

#### 5.4 Currency risk (continued)

##### Sensitivity analysis

A 10% strengthening of the Great Britain Pounds against the following currencies at 31 March 2022 and 31 March 2021 would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. For a 10% weakening of the British Pound against the relevant currency, there would be an equal and opposite impact on the profit or loss.

	<b>Profit or loss</b>	
	<b>01/04/2021- 31/03/2022</b>	<b>01/04/2020- 31/03/2021</b>
	<b>GB£</b>	<b>GB£</b>
United States Dollars	<b>5.033</b>	4.145
Euro	<b>8.330</b>	7.812
	<b>13.363</b>	11.957

#### 5.5 Capital risk management

Capital includes equity shares.

The Company's objectives in managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

#### Fair value estimation

The fair values of the Company's financial assets and liabilities approximate their carrying amounts at the reporting date.

### 6. Critical accounting estimates and judgments

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

#### • **Income taxes**

Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax provisions in the period in which such determination is made.

# FLEXIGLOBAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 6. Critical accounting estimates and judgments (continued)

#### • Impairment of investment in subsidiary

The Company periodically evaluates the recoverability of investment in subsidiary whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that investment in subsidiary may be impaired, the estimated future discounted cash flows associated with these subsidiaries would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

#### • Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Company has recognised a loss of GB£167.078 for the impairment of the loan during the year ended 31 March 2022. Details of the key assumptions and inputs used are disclosed in note 5, Credit risk section.

### 7. Administration expenses

	01/04/2021- 31/03/2022	01/04/2020- 31/03/2021
	GB£	GB£
Annual levy	293	273
Auditors' remuneration	3.027	3.193
Accounting fees	-	1.067
Other professional fees	5.332	4.835
Fines	118	-
	<u>8.770</u>	<u>9.368</u>

### 8. Finance income/(costs)

	01/04/2021- 31/03/2022	01/04/2020- 31/03/2021
	GB£	GB£
<b>Finance income</b>		
Unrealised foreign exchange profit	<u>10.546</u>	<u>24.186</u>
	<u>10.546</u>	<u>24.186</u>
<b>Finance costs</b>		
Bank charges	(3.167)	(887)
Unrealised foreign exchange loss	<u>(8.128)</u>	<u>(19.407)</u>
	<u>(11.295)</u>	<u>(20.294)</u>

## FLEXIGLOBAL HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

#### 9. Tax

	<b>01/04/2021- 31/03/2022</b>	01/04/2020- 31/03/2021
	<b>GB£</b>	GB£
Corporation tax	-	457
<b>Charge for the year</b>	<b>-</b>	<b>457</b>

The tax on the Company's results before tax differs from theoretical amount that would arise using the applicable tax rates as follows:

	<b>01/04/2021- 31/03/2022</b>	01/04/2020- 31/03/2021
	<b>GB£</b>	GB£
Loss before tax	<b>(182.514)</b>	(10.033)
Tax calculated at the applicable tax rates	<b>(22.814)</b>	(1.254)
Tax effect of expenses not deductible for tax purposes	<b>16.225</b>	4.693
Tax effect of allowances and income not subject to tax	<b>6.541</b>	(3.023)
10% additional charge	<b>48</b>	41
<b>Tax charge</b>	<b>-</b>	<b>457</b>

The corporation tax rate is 12,5% (2021: 12,5%).

#### 10. Investment in subsidiary

	<b>31/03/2022</b>	31/03/2021
	<b>GB£</b>	GB£
Balance at 1 April	<b>100.000</b>	100.000
<b>Balance at 31 March</b>	<b>100.000</b>	100.000

The details of the subsidiary is as follows:

<u>Name</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	31/03/2022	31/03/2021	<b>31/03/2022</b>	31/03/2021
			Holding	Holding		
			%	%		
Flexiglobal (UK) Ltd	United Kingdom	Distribution activities	100	100	<b>100.000</b>	100.000

# FLEXIGLOBAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 11. Other financial assets at amortised cost

	31/03/2022	31/03/2021
	GB£	GB£
Balance at 1 April	158.141	174.305
Interest charged	1.972	1.520
Impairment charge (Note 5)	(167.078)	-
Exchange differences	6.966	(17.684)
<b>Balance at 31 March</b>	<b>1</b>	<b>158.141</b>
Less non-current portion	-	(158.141)
Current portion	<u>1</u>	<u>-</u>

On 9 July 2012, the Company entered into a loan agreement with a third party, where the Company provided funds amounting to US\$200.000. On 8 July 2020, the parties agreed to extend the repayment date up to 9 July 2023. The loan bears interest at the rate of 1% per annum, is unsecured and is repayable on 9 July 2023.

As at 31 March 2022, impairment indications existed since the third party company has suspended its operations and its financial position has deteriorated. This has lead to an impairment of €167.078.

The exposure of the Company to credit risk in relation to loans receivable is reported in note 6 of the financial statements.

### 12. Cash at bank

Cash balances are analysed as follows:

	31/03/2022	31/03/2021
	GB£	GB£
Cash at bank	45.804	49.346
	<u>45.804</u>	<u>49.346</u>

For the purposes of the statement of cash flows, the cash and cash equivalents include the following:

	31/03/2022	31/03/2021
	GB£	GB£
Cash at bank	45.804	49.346
	<u>45.804</u>	<u>49.346</u>

### Non-cash transactions

The principal non-cash transactions during the current year was the payment to service providers and of various expenses from the parent company on behalf of the Company, amounting to GB£7.582 (2021: GB£9.101).



# FLEXIGLOBAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 12. Cash at bank (continued)

#### Cash and cash equivalents by currency:

	<b>31/03/2022</b>	31/03/2021
	<b>GB£</b>	GB£
United States Dollars	<b>2.415</b>	4.582
Euro	<b>14</b>	14
Great Britain Pounds	<b>43.375</b>	44.750
	<b>45.804</b>	49.346

The exposure of the Company to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 5 of the financial statements.

### 13. Share capital

	<b>31/03/2022</b>	<b>31/03/2022</b>	31/03/2021	31/03/2021
	<b>Number of</b>	<b>€</b>	Number of	€
	<b>shares</b>		shares	
<b>Authorised</b>				
Ordinary shares of €1 each	<b>200.000</b>	<b>200.000</b>	200.000	200.000
		<b>GB£</b>		GB£
<b>Issued and fully paid</b>				
Balance at 1 April	<b>200.000</b>	<b>96.732</b>	200.000	96.732
<b>Balance at 31 March</b>	<b>200.000</b>	<b>96.732</b>	200.000	96.732

### 14. Borrowings

	<b>31/03/2022</b>	31/03/2021
	<b>GB£</b>	GB£
Balance at 1 April	<b>196.157</b>	211.753
Interest charge	<b>7.889</b>	6.077
Unrealised exchange difference	<b>7.388</b>	(21.673)
<b>Balance at 31 March</b>	<b>211.434</b>	196.157

On 9 July 2012, the Company entered into a loan agreement with its parent company, where the Company obtained funds amounting to US\$200,000. On 8 July 2020, the parties agreed to extend the payment date up to 2023. The loan bears interest at the rate of 4% per annum, is unsecured and is payable on 9 July 2023.

# FLEXIGLOBAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 14. Borrowings (continued)

	<b>31/03/2022</b>	31/03/2021
	<b>GB£</b>	GB£
<b>Current borrowings</b>		
Loan from parent company (Note 17.3)	<u>211.434</u>	-
	<u>211.434</u>	-
<b>Non-current borrowings</b>		
Loan from parent company (Note 17.3)	-	196.157
	-	196.157
<b>Total</b>	<u>211.434</u>	196.157

The Company's borrowings are denominated in the following currencies:

	<b>31/03/2022</b>	31/03/2021
	<b>GB£</b>	GB£
United States Dollars	<u>211.434</u>	196.157
	<u>211.434</u>	196.157

### 15. Trade and other payables

	<b>31/03/2022</b>	31/03/2021
	<b>GB£</b>	GB£
Payables to parent (Note 17.2)	<b>60.728</b>	60.639
Accruals	<b>5.220</b>	6.829
Other creditors	<b>2.892</b>	2.392
Payables to own subsidiary (Note 17.2)	<u>58.759</u>	52.184
	<u>127.599</u>	122.044

The Company's trade and other payables are denominated in the following currencies:

	<b>31/03/2022</b>	31/03/2021
	<b>GB£</b>	GB£
United States Dollars	<b>8.392</b>	8.016
Euro	<b>83.316</b>	78.137
Great Britain Pounds	<u>35.891</u>	35.891
	<u>127.599</u>	122.044

### 16. Current tax liabilities

	<b>31/03/2022</b>	31/03/2021
	<b>GB£</b>	GB£
Corporation tax	<u>989</u>	989
	<u>989</u>	989

# FLEXIGLOBAL HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 17. Related party transactions

Related parties exist if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company is controlled by Flexituff Ventures International Limited, incorporated in India, listed on the Bombay Stock Exchange and the National Stock Exchange of Indian, which owns 100% of the Company's shares.

The related party transactions made during the current and prior year, are as follows:

#### 17.1 Loan interest expense (Note 14)

<u>Nature of relationship</u>	<u>Nature of transactions</u>	<b>01/04/2021- 31/03/2022</b>	01/04/2020- 31/03/2021
		<b>GB£</b>	GB£
Parent company	Trade - Finance	<u>7.889</u>	<u>6.077</u>
		<b>7.889</b>	6.077

#### 17.2 Payables to related parties (Note 15)

<u>Nature of relationship</u>	<u>Nature of transactions</u>	<b>31/03/2022</b>	31/03/2021
		<b>GB£</b>	GB£
Subsidiary company	Finance	<u>58.759</u>	<u>52.184</u>
Parent company	Finance	<u>60.728</u>	<u>60.639</u>
		<b>119.487</b>	112.823

The payables to related parties were provided interest free and there was no specified repayment date.

#### 17.3 Loans from related parties (Note 14)

<u>Nature of relationship</u>	<u>Nature of transactions</u>	<b>31/03/2022</b>	31/03/2021
		<b>GB£</b>	GB£
Parent company	Trade - Finance	<u>211.434</u>	<u>196.157</u>
		<b>211.434</b>	196.157

The terms and conditions of the loans from related parties are described in note 14.

### 18. Contingent liabilities

The Company had no contingent liabilities as at 31 March 2022.

### 19. Commitments

The Company had no capital or other commitments as at 31 March 2022.

# **FLEXIGLOBAL HOLDINGS LIMITED**

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## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2022

### **20. Events after the reporting period**

During the year ending 31 March 2023, the subsidiary was set under liquidation and its equity position amounting to GB£166.500 has been returned to the Company. A net amount of GB£106.384 has been received from the subsidiary, after deducting the payable amount towards the subsidiary of GB£60.116, resulting in a profit from the liquidation of the subsidiary amounting to GB£66.501.

On 20 December 2022, an amount of GB£125.000 has been repaid in regards to the Company's loan with its parent company.

It is the intention of the members to liquidate the Company as soon as relevant arrangements are made.

There were no other material events after the reporting period, which have a bearing on the understanding of the financial statements.

**Independent auditor's report on pages 2 to 4**

