

# K. K. KAPOOR & ASSOCIATES

CHARTERED ACCOUNTANTS

48-B, UDHAM SINGH NAGAR,  
CIVIL LINES,  
LUDHIANA - 141001  
Tel. : (O) 2302036

## INDEPENDENT AUDITOR'S REPORT

To  
The Members,  
**TRIDENT EUROPE LTD**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **TRIDENT EUROPE LTD**, which comprise the Balance Sheet as at March 31, 2017, the statement of Profit and Loss, statement of changes in common stock and Cash Flow statement for the year ended March 31, 2017 .

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with Ind AS and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit and as per data available for verification. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 and to the best of our information and according to the explanations given to us, the financial statements give the information required for the verification as in the manner so required and give a true and fair view in conformity with Ind AS:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017.
- (b) In the case of the Income Statement ,of the Loss for the year ended on that date.
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
- (d) In the case of the statement of changes in common stock, of the common stock as at March 31,2017.

**For K.K. Kapoor & Associates**

Chartered Accountants

Firm Registration No. 001013N

**CA. SUPRIYA KAPOOR**

Partner

Membership No. 513019

Date : 1.05.2017

Place : Ludhiana, India

**TRIDENT EUROPE LTD**  
**Balance Sheet as at March 31,2017**

(Amount in GBP)

Particulars		Note No.	As at March 31,2017	As at March 31,2016
<b>I</b>	<b><u>ASSETS</u></b>			
<b>1</b>	<b>Non-Current Assets</b>			
(a)	Property, Plant & Equipment	3	64,457.30	0.00
(b)	Other Intangible Assets	4	10,674.62	0.00
(c)	Other Financial Assets	5	11,474.28	10,723.62
(d)	Other Non- Current Assets	6	2,548.70	3,409.27
<b>2</b>	<b>Current Assets</b>			
(a)	Financial Assets			
	-Trade Receivables	7	62,011.00	0.00
	-Cash and Cash Equivalents	8	11,202.77	14,624.20
(b)	Other Current Assets	9	17,532.12	860.57
<b>Total Assets</b>			<b>1,79,900.78</b>	<b>29,617.66</b>
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b>Equity</b>			
(a)	Equity Share Capital/Common Stock	10	2,13,000.00	33,000.00
(b)	Reserve & Surplus	11	(93,812.35)	(11,442.82)
<b>2</b>	<b>Current liabilities</b>			
(a)	<u>Financial Liabilities</u>			
	-Trade Payables	12	57,774.50	0.00
	-Other Financial Liabilities	13	2,938.63	8,060.49
<b>Total Equity and Liabilities</b>			<b>1,79,900.78</b>	<b>29,617.66</b>

As per our report of even date attached

**For K. K. KAPOOR & ASSOCIATES**

Chartered Accountants

(Firm's Registration No.001013N)

**CA. SUPRIYA KAPOOR**

Partner

Membership No. 513019

Place : Ludhiana, India

Date : 1.05.2017

**TRIDENT EUROPE LIMITED**  
**Statement of Profit and Loss for the year ended MARCH 31, 2017**

(Amount in GBP)

Particulars	Note No.	For The year Ended March 31, 2017	For The year Ended March 31, 2016
<b>I Revenue from Operations</b>			
(a) Income from Traded Goods		94,094.56	0.00
(b) Commission Received		2,19,523.35	0.00
	14	3,13,617.91	0.00
<b>II Other Income</b>	15	750.65	28.83
<b>III Total Revenue (I + II)</b>		<b>3,14,368.56</b>	<b>28.83</b>
<b>IV Expenses:</b>			
(a) Purchase of Stock in Trade	16	92,486.09	0.00
(b) Changes in inventories of Finished Goods and Work In Progress		0.00	0.00
(c) Employee Benefit Expenses	17	2,03,886.87	5,739.79
(d) Finance Costs	18	986.47	0.00
(e) Depreciation and Amortization Expenses	3,4	8,792.49	0.00
(f) Other Expenses	19	90,586.18	5,731.87
<b>V Total Expenses</b>		<b>3,96,738.09</b>	<b>11,471.65</b>
<b>VI Profit before tax (III-V)</b>		<b>(82,369.53)</b>	<b>(11,442.82)</b>
<b>VII Tax expenses:</b>			
(a) Current tax		-	-
(b) Deferred tax		-	-
<b>VIII Profit after Tax (VI-VII)</b>		<b>(82,369.53)</b>	<b>(11,442.82)</b>
<b>IX Less: Short/(Excess) Provision of taxes</b>		-	-
<b>X Profit / (Loss) for the year (VIII-IX-X)</b>		<b>(82,369.53)</b>	<b>(11,442.82)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss		-	-
- Actuarial Gain/(Loss)		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the period</b>		<b>(82,369.53)</b>	<b>(11,442.82)</b>
Notes referred to above form an integral part of the Financial Statement 1 to 19			

As per our report of even date attached

**For K. K. KAPOOR & ASSOCIATES**

Chartered Accountants  
(Firm's Registration No.001013N)

**CA. SUPRIYA KAPOOR**

Partner  
Membership No.

Place : Ludhiana, India  
Date : 01.05.2017

**TRIDENT EUROPE LTD**  
**Statement of Cash Flow for the year ended March 31, 2017**

(Amt in GBP)

Particulars		For The year Ended March 31, 2017		For The year Ended March 31, 2016
Cash Flows from Operating Activities				
Net Income/(Loss)		(82369.53)		(11442.82)
Adjustment for Profit & Loss Manual				
Add: Depreciation		8792.49		0.00
Add: Finance Costs		986.47		0.00
<b>Adjustments</b>				
<b>(Increase)/ Decrease in assets</b>				
Trade Receivables	(62011.00)		0.00	
Other Current Assets	(16671.55)		(860.57)	
Other Non Current Assets	860.20		(3409.27)	
Other Financial Assets	(750.65)	(78573.00)	(10723.62)	(14993.46)
<b>Increase/ (Decrease) in Liabilities</b>				
Trade Payables	57774.50		0.00	
Other Financial Liabilities	(5121.48)	52653.02	8060.49	8060.49
Net Cash Flow from Operating Activities		(98510.55)		(18375.80)
<b>Cash Flows from Investing Activities</b>				
Purchase of Property, Plant & Equipment	(70652.20)		0.00	
Purchase of Intangible Assets	(13272.21)		0.00	
Net Cash Flow from Investing Activities		(83924.41)		0.00
<b>Cash Flows from Financing Activities</b>				
Issue of Share Capital	180000.00		33000.00	
Finance Costs	(986.47)			
Net Cash Flow from Financing Activities		179013.53		33000.00
<b>Net increase/(decrease) in cash and cash equivalent</b>		<b>(3421.43)</b>		<b>14624.20</b>
<b>Summary</b>				
Cash balance at beginning of year		14624.20		0.00
Cash balance at end of year		11202.77		14624.20
<b>Net increase/(decrease) in cash and cash equivalent</b>		<b>(3421.43)</b>		<b>14624.20</b>

As per our report of even date attached

**For K. K. KAPOOR & ASSOCIATES**

Chartered Accountants

(Firm's Registration No.001013N)

**CA. SUPRIYA KAPOOR**

Partner

Membership No. 513019

Place : Ludhiana, India

Date : 01.05.2017

**TRIDENT EUROPE LTD**  
**Notes to Financial Statements**  
**(for the year ended 31 March, 2017)**

**1. Nature of Business**

Trident Europe Ltd. ("the company") was incorporated in the United Kingdom on November 27, 2015 as a wholly owned subsidiary of Trident Limited. The wholly owned subsidiary will help Trident Limited to widen its reach in European markets, strengthening its marketing channels and will act as catalyst to superior customer service in those markets.

The Company is subject to risks common to companies engaged in Trading.

For the year ending March 31, 2017, the Company has generated Net Losses of GBP 82369.53.

**2. Significant Accounting Policies**

a Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles, management requires to make estimates and 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 revenue and expenses during the reported period. Actual results could differ from those estimates.

b Cash & Cash Equivalents

None of the company's cash is restricted

c Fixed Assets

Fixed Assets are recorded at cost. Depreciation is computed on straight line method, over the estimated useful lives.

d Revenue Recognition

Revenue is generated primarily from the marketing efforts for sale of terry towels. Revenue is recognised when the product has been invoiced to the customers.

**TRIDENT EUROPE LTD**  
**Notes forming part of Financial Statements**

**Note No. 3- PROPERTY, PLANT & EQUIPMENT**

(Amount in GBP)

Description of Assets	Furniture & Fixtures	Office Equipment	Total
<b>I. Gross Carrying Amount</b>			
Balance as at 1 April 2016	0.00	0.00	0.00
Additions	52,985.03	17,667.17	70,652.20
Acquisitions through business combinations	0.00	0.00	0.00
Disposals	0.00	0.00	0.00
Reclassified as held for sale	0.00	0.00	0.00
Others [describe]	0.00	0.00	0.00
<b>Balance as at 31 March 2017</b>	<b>52,985.03</b>	<b>17,667.17</b>	<b>70,652.20</b>
<b>II. Accumulated depreciation and impairment</b>			
Balance as at 1 April 2016	0.00	0.00	0.00
Depreciation expense for the year	3,999.90	2,195.00	6,194.90
Eliminated on disposal of assets	0.00	0.00	0.00
Eliminated on reclassification as held for sale	0.00	0.00	0.00
Impairment losses recognised in profit or loss	0.00	0.00	0.00
Reversals of impairment losses recognised in profit or loss	0.00	0.00	0.00
Others [describe]	0.00	0.00	0.00
<b>Balance as at 31 March 2017</b>	<b>3,999.90</b>	<b>2,195.00</b>	<b>6,194.90</b>
<b>III. Net carrying amount (I-II)</b>	<b>48,985.13</b>	<b>15,472.17</b>	<b>64,457.30</b>

TRIDENT EUROPE LTD  
Notes forming part of Financial Statements

Note No. 4- OTHER INTANGIBLE ASSETS

(Amount in GBP)

Description of Assets	Computer Software
<b>I. Gross Carrying Amount</b>	
Balance as at 1 April 2016	0.00
Additions from separate acquisitions	13,272.21
Additions from internal developments	0.00
Acquisitions through business combinations	0.00
Disposals	0.00
Reclassified as held for sale	0.00
Others (decribe)	0.00
<b>Balance as at 31 March 2017</b>	<b>13,272.21</b>
<b>II. Accumulated depreciation and impairment</b>	
Balance as at 1 April 2016	0.00
Amortisation expense for the year	2,597.59
Eliminated on disposal of assets	0.00
Reclassified as held for sale	0.00
Impairment losses recognised in profit or loss	0.00
Reversals of impairment losses recognised in profit or loss	0.00
Other adjustments	0.00
<b>Balance as at 31 March 2017</b>	<b>2,597.59</b>
<b>III. Net carrying amount (I-II)</b>	<b>10,674.62</b>



**TRIDENT EUROPE LTD**  
**Notes forming part of Financial Statements**

**Note No. 5 - OTHER FINANCIAL ASSETS**

(Amount in GBP)

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Security Deposit against Lease Agreement	11474.28	10723.62
	<b>11474.28</b>	<b>10723.62</b>

**Note No. 6 - OTHER NON CURRENT ASSETS**

(a) Prepaid Rent	2548.70	3409.27
	<b>2548.70</b>	<b>3409.27</b>

**Note No. 7 - TRADE RECEIVABLES**

(Unsecured considered good, unless otherwise stated)

a) Trade receivable outstanding for a period exceeding six months from the date they were due for payment		
- More Than Six Months		
- Considered Good		
b) Other Trade Receivables	62011.00	
	<b>62011.00</b>	<b>0.00</b>

**Note No. 8 - CASH AND CASH EQUIVALENTS**

(a) Cash in hand	0.00	0.00
(b) Balances with banks		
- In Current Accounts	11202.77	14624.20
(Including Cheques In Hand)		
- In Deposit Accounts	0.00	0.00
	<b>11202.77</b>	<b>14624.20</b>

**Note No. 9 - OTHER CURRENT ASSETS**

(a) Prepaid Exp	13256.42	860.57
(b) Balance with Govt Departments	4275.70	0.00
	<b>17532.12</b>	<b>860.57</b>

**Note No. 10 - SHARE CAPITAL/Common Stock**

(a) Equity Capital/Common Stock	2,13,000.00	33,000.00
	<b>2,13,000.00</b>	<b>33,000.00</b>

**Note No. 11 - RESERVE & SURPLUS**

<b>Surplus of statement of Profit and Loss</b>		
Opening Balance	(11442.82)	0.00
Add: Net surplus from statement of Profit & Loss	(82369.53)	(11442.82)
	<b>(93812.35)</b>	<b>(11442.82)</b>

**Note No. 12 - TRADE PAYABLES**

(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	0.00	0.00
(b) Total Outstanding dues other than Micro Enterprises and Small Enterprises	57774.50	0.00
	<b>57774.50</b>	<b>0.00</b>

**Note No. 13 - OTHER FINANCIAL LIABILITIES**

(a) Payable to Employees	240.63	5739.79
(b) Audit Fees	400.00	300.00
(b) Expenses Payable	2298.00	2020.70
	<b>2938.63</b>	<b>8060.49</b>

**TRIDENT EUROPE LIMITED**  
**Notes forming part of Financial Statements**

**Note No. 14 - REVENUE FROM OPERATIONS** (Amount in GBP)

Particulars	For The year Ended March	For The year Ended March
Traded	94094.56	0.00
Commission Income	219523.35	0.00
<b>Total</b>	<b>313617.91</b>	<b>0.00</b>

**Note No. 15 - OTHER INCOME**

Interest Income	750.65	28.83
<b>Total</b>	<b>750.65</b>	<b>28.83</b>

**Note No. 16 - PURCHASE OF STOCK IN TRADE**

Material for resale	92486.09	0.00
<b>Total</b>	<b>92486.09</b>	<b>0.00</b>

**Note No. 17 - EMPLOYEE BENEFIT EXPENSES**

Salaries & Wages	203517.20	5739.79
Staff Welfare Exp	369.67	0.00
<b>Total</b>	<b>203886.87</b>	<b>5739.79</b>

**Note No. 18- FINANCE COSTS**

Bank Charges	986.47	0.00
<b>Total</b>	<b>986.47</b>	<b>0.00</b>

**Note No. 19 - OTHER EXPENSES**

Postage & Telegram	818.75	0.00
Repair & Maintenance	769.95	380.23
Travelling & Conveyance	9774.92	0.00
Rates & Taxes	21574.20	539.66
Telephone & Telex	5842.53	0.00
Legal & Professional	5011.68	3280.85
Printing & Stationery	1862.33	0.00
Insurance	278.03	0.00
Freight Charges	213.00	0.00
Audit Fees	100.00	300.00
Miscellaneous Expenses	2537.56	0.00
Power & Fuel	1182.00	0.00
Rent	33153.93	1231.13
Recruitment Exp	4000.00	0.00
Business Promotion Exp	3467.30	0.00
<b>Total</b>	<b>90586.18</b>	<b>5731.87</b>