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Concord Enviro S.A.De.C.V

Independent Auditor's Report

Auditor's Report to the Shareholders of
Concord Enviro S.A.De.C.V.
Mexico.

Report on the Financial Statements

We have audited the financial statements of Concord Enviro S.A.De.C.V., comprising of the balance sheet as on 31 March 2023, cash-flow statement and income statement for the year 2022-23.

Auditor's responsibility

Our responsibility is to express our opinion on the financial statements of your company based on our audit. We have conducted the audit in an independent and fair manner in accordance with International Standards of Auditing and the standards applicable to financial audits. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

We have followed the procedures mentioned in our detailed audit plan to collect evidence about the disclosures made in the financial statements and have made the necessary risk assessments based on our judgment and experience. We believe that the evidence so collected during our audit is sufficient to formulate our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Concord Enviro S.A.De.C.V. as of 31 March 2023 and its performance and cash flows indicated are in accordance with the accounting principles.



Rafael Gerardo Monroy Ortega

Date: 27 April 2023.

CONCORD ENVIRO MEXICO S.A. DE C. V.
BALANCESHEET AS ON 31.03.23

<u>PARTICULARS</u>	<u>Schedule</u>	<u>31.03.2023</u> PESO	<u>31.03.2022</u> PESO
<u>SOURCES OF FUNDS</u>			
SHAREHOLDER'S FUNDS			
Share Capital	A	50,000	50,000
BORROWED FUNDS			
Unsecured Loan	B	-	18,814,202
Reserves & Surplus	F	(1,515,466)	(17,713,577)
TOTAL		(1,465,466)	1,150,625
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS			
		-	53,157
CURRENT ASSETS , LOANS & ADVANCES			
Cash & Bank Balances	C	74,461,306	1,879
Loans and Advances	D	14,546,421	1,111,198
	(i)	89,007,727	1,113,077
LESS: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	E	90,473,193	15,609
	(ii)	90,473,193	15,609
NET CURRENT ASSETS	(i - ii)	(1,465,466)	1,097,468
Total		(1,465,466)	1,150,625

CONCORD ENVIRO MEXICO S.A. DE C. V.
PROFIT & LOSS ACCOUNT AS ON 31.03.2023

<u>PARTICULARS</u>	<u>SCH</u>	<u>31.03.2023</u> PESO	<u>31.03.2022</u> PESO
<u>Less : EXPENDITURE</u>			
Staff Cost	H	384,417	378,440
Operating and other expenses	I	1,165,990	62,838
Sundry balances write off		(17,750,339)	-
		(16,199,932)	441,278
PROFIT/ (LOSS) BEFORE DEPRECIATION		(16,199,932)	441,278
Less : Depreciation		1,821	6,141
PROFIT/ (LOSS) AFTER DEPRECIATION		16,198,111	(447,419)



CONCORD ENVIRO MEXICO S.A. DE C. V.**Cash flow statement as on 31.03.2023**

	<u>31.03.2023</u>	<u>31.03.2022</u>
	PESO	PESO
A. Cash flows from operating activities		
Net profit / (losses) for the year	16,198,111	-447,419
Depreciation	1,821	6,141
Finance cost	0	0
Operating cash flow before working capital changes	16,199,932	-441,278
Decrease/(increase) in trade receivables	0	0
Decrease/(increase) in inventories	0	0
Decrease/(increase) in other assets	-13,435,223	-1,460
Increase /(decrease) in trade payables	14,606,611	0
Increase/(decrease) in other payables	75,850,973	13,275
Net cash generated from operating activities	93,222,293	-429,463
B. Cash flows from Investing activities		
Purchase of fixed assets	51,336	0
Net cash generated from/(used in) investing activities	51,336	0
C. Cash flows from financing activities		
Repayment of loan	-18,814,202	429,463
Finance cost	0	0
	-18,814,202	429,463
Net increase in cash and cash equivalents	74,459,427	0
cash and cash equivalents at the beginning of the year	1,879	1,879
cash and cash equivalents at the end of the year	74,461,306	1,879



Concord Enviro S.A.De.C.V.
NOTES TO FINANCIAL STATEMENTS

1. STATUS AND ACTIVITIES

Concord Enviro S.A.De.C.V., Mexico is company with limited liability registered with Government of Mexico on January 23, 2009.

The name of the sole shareholder and its shareholdings is as follows:

Name of Shareholder	Nationality	No.of Shares	Amount in Peso
Concord Enviro Fze, Sharjah	U.A.E.	49,999	49,999
Ashish Singal	Indian	1	1

Principal activity of the company is Water purification by filtration, pasteurization & reverse osmosis.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements of the company has been prepared in accordance with the International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board.

It should be noted that accounting estimates and assumptions are used in preparing the financial statements. Although the estimates are based on Management's best knowledge of current events and actions, actual result may ultimately differ from these estimates.

The following accounting policies, which comply with IFRS, have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Accounting convention

The financial statements have been prepared under the historical cost convention. The accounting policies are consistent with those used in the previous year.

Accounting basis

The financial statements have been prepared under the accrual basis with the exception of staff and of service benefits, leave salary and air tickets which are accounted for when paid.



Property, plant and equipment's

Fixed assets are depreciated on cost using written down value method at rates calculated to depreciate the assets concerned over their estimated useful lives.

The annual rate of depreciation used are as follows:

Plant and machinery : 10%

Computer : 30%

Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprises of cash in hand, bank current accounts.

Impairment and collectability of financial statements

An assessment is made at each statement of financial position date to determine whether there is objective evidence that a financial asset or group of financial asset may be impaired. If such evidence exists, the estimated recoverable amount of that asset is determined and an impairment recognized for difference between the recoverable amount and the carrying amount. Impairment losses are recognized in the statement of comprehensive income.

Account payable and accruals

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

Provision

A provision is recognized when the company has an obligation, legal or constructive arising from past event and cost to settle the obligation are both probable and able to be reliably measured.

Foreign currencies

Transactions in foreign currencies, if any are recorded at the rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All the difference are taken to the statement of comprehensive income.



CONCORD ENVIRO MEXICO S.A. DE C.V. SCHEDULES FORMING PART OF THE BALANCE SHEET		
<u>PARTICULARS</u>	<u>31.03.2023</u> PESO	<u>31.03.2022</u> PESO
<u>SCHEDULE A</u>		
<u>SHARE CAPITAL</u>		
Authorised Capital	50,000	50,000
	50,000	50,000
Issued, Subscribed & Paid Up Capital	50,000	50,000
	50,000	50,000
<u>SCHEDULE B</u>		
<u>UNSECURED LOAN</u>		
Concord Enviro FZE	-	18,814,202
	-	18,814,202
<u>SCHEDULE C</u>		
Bank Balances	74,461,306	-
Cash Balance	-	1,879
	74,461,306	1,879
<u>SCHEDULE D</u>		
<u>LOANS AND ADVANCES</u>		
MIGULE SOLIS	142,000	141,677
FRANCISCO ESTRADA	-	109,442
Octavio	-	99,015
IVA CREDIT (INDIRECT TAX CREDIT)	2,106,257	761,064
ADVANCE TO SUPPLIERS	12,298,164	-
	14,546,421	1,111,198
<u>SCHEDULE E</u>		
<u>CURRENT LIABILITIES</u>		
TRADE PAYABLES	14,606,611	-
ADVANCE RECEIVED FROM CUSTOMER	75,829,200	-
PROVISION FOR EXPENSES	-	15,609
TAX LIABILITIES	37,382	-
	90,473,193	15,609
<u>SCHEDULE F</u>		
<u>PROFIT & LOSS A/C</u>		
Opening Balance	17,713,577	17,266,158
Add:- profit for the year	(16,198,111)	447,419
	1,515,466	17,713,577

CONCORD ENVIRO MEXICO S.A. DE C.V.
SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

<u>PARTICULARS</u>	<u>31.03.2023</u> PESO	<u>31.03.2022</u> PESO
<u>SCHEDULE H</u>		
<u>STAFF COST</u>		
WAGES AND SALARIES	369,187	378,440
OTHER BENEFITS	15,230	-
	384,417	378,440
<u>SCHEDULE I</u>		
<u>OPERATING AND OTHER EXPENSES</u>		
MISCELLANEOUS EXPENSES	192,999	20,724
TRAVEL EXPENSES	242,633	-
PROFESSIONAL CHARGES	674,367	-
SOCIAL SECURITY	55,991	42,114
	1,165,990	62,838



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CONCORD ENVIRO S.A.DE.C.V.

SCHEDULES FORMING THE PART OF BALANCE SHEET AS ON 31.03.2023

FIXED ASSETS

PARTICULAR	RATE	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS ON 01.04.2022	ADDITION	DELETION	AS ON 31.03.2023	AS ON 01.04.2022	FOR THE YEAR	DELETION FOR YEAR	AS ON 31.03.2023	AS ON 31.03.2023	AS ON 31.03.2022
Plant & Mach	10.00%	135,296	0	135,296	0	82,880	1,747	84,627	0	0	52,416
Computer	30.00%	17,671	0	17,671	0	16,930	74	17,004	0	0	741
TOTAL		152,967	0	152,967	0	99,810	1,821	101,631	0	0	53,157