

FAR EAST STEEL INDUSTRIES LIMITED

Audited Statement of Affairs

for the year ended

October 31, 2019



Kayode Sonaike & Co.

CHARTERED ACCOUNTANTS

20, BOMBAY CRESCENT APAPA, P. O. BOX 8430, LAGOS.

Tel: 01-295-0833, 01-212-2474, 01-212-2099, 0806-932-8686

E-mail: kayodesonaikeco@yahoo.com Web site: www.kayodesonaike.com

FAR EAST STEEL INDUSTRIES LIMITED

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FAR EAST STEEL INDUSTRIES LIMITED

CORPORATE INFORMATION

1. **COMPANY REGISTRATION NUMBER** RC 749223
2. **BOARD OF DIRECTORS**
Anil Kumar Naidu Chairman
Abhay Nath Jha Director
Anup Kumar Drolia Director
3. **REGISTERED OFFICE**
Plots 1 & 2, Block XI,
Otta Industrial Estate, Otta,
Ogun State.
4. **BANKERS**
Union Bank of Nigeria Plc
5. **CORPORATE SECRETARY**
City Registration Services Limited
6. **AUDITORS**
Messrs Kayode Sonaike & Co
(Chartered Accountants)
Lagos, Nigeria
Telephone: +234-701-3953-391; +234 -806-932-8686
E-mail: kayodesonaikeco@yahoo.com
Website: www.kayodesonaike.com

FAR EAST STEEL INDUSTRIES LIMITED

Plots 1 & 2, Block XI, Otta Industrial Estate,
Otta, Ogun State.

REPORT OF THE DIRECTORS

The Directors present their report as well as the Statement of Affairs at October 31, 2019 together with the Auditors' Report thereon.

The company was incorporated on May 23, 2008, and since then, has not commenced any business that generates reportable Naira income.

The company has not engaged in any activity that falls within the legal definition of carrying on business that generates reportable Naira income. Consequently, Statement of Affairs has been prepared in lieu of full statutory financial statements.

If in future the company engages in any activity that results in reportable Naira income, this will be disclosed and full statutory financial statements will be prepared to satisfy the Nigerian tax and other applicable laws and regulations.

Change of Ownership

In 2017, there was a change in ownership and management of the Company.

The changes are detailed below:

| <u>New Shareholders</u> | <u>% Shareholding</u> |
|-----------------------------|-----------------------|
| Technomet International FZE | 99,999,999 |
| Mr. Suresh K. Agrawal | <u>1</u> |
| | <u>100,000,000</u> |

Directors

The directors in office during the year are as disclosed in the Corporate Information page.

The retiring Directors that are eligible offer themselves for re-election.

Auditors

The auditors, Messrs Kayode Sonaike and Company, having indicated their willingness, will continue in office in accordance with the provisions of Section 357(2) of the Companies and Allied Matters Act, CAP C20, LFN 2004.

BY ORDER OF THE BOARD



DIRECTOR

30TH MARCH.....2020



Kayode Sonaike & Co.

CHARTERED ACCOUNTANTS

20, BOMBAY CRESCENT APAPA, P. O. BOX 8430, LAGOS.
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REPORT OF THE AUDITORS TO THE MEMBERS OF FAR EAST STEEL INDUSTRIES LIMITED

We have examined the Statement of Affairs of Far East Steel Industries Limited for the year ended 31st October, 2019 as set out on pages 4 to 6.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of this Statement of Affairs in accordance with the International Financial Reporting Standards (IFRS) and with the requirements of the Companies And Allied Matters Act, CAP C20, LFN 2004. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an independent 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 the ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements.

Basis of Opinion

The company which was incorporated on May 23, 2008, claimed that it has not engaged in any activity that falls within the legal definition of carrying on business in Nigeria that will result in reportable Naira income. Furthermore, it has given an undertaking in the Directors' Report to the effect that when it engages in such activity, it will be reported and full statutory financial statements would be prepared. Consequently, Statement of Affairs has been prepared in lieu. We saw no evidence, and we were not presented with any document or information to the effect that reportable Naira income was earned up to the relevant date.

Based on the information made available, together with the representations made by the directors, we believe that the company has not commenced business that will generate reportable Naira income as at the date of the Statement of Affairs. Consequent upon this, no profit or loss has arisen as at that date.

Opinion

Subject to the above, we are of the opinion that, the Statement of Affairs shows a true and fair view of the company's financial position as at October 31, 2019.

Report on other legal requirements

The Companies And Allied Matters Act, CAP C20, LFN 2004 requires that in carrying out an audit we consider and report to you on the following matters. We confirm that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- in our opinion proper books of account have been kept by the company so far as it appears from our examination of those books;
- the company's Statement of Affairs is in agreement with the books of account.

KAYODE B. SONAIKE FCA
FRC/2013/MULTI/0000004935
For: KAYODE SONAIKE & CO.
Chartered Accountants

May 28th 2020

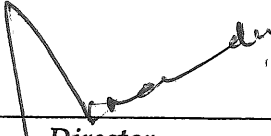
Lagos, Nigeria



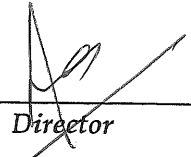
Statement of Affairs
As At October 31, 2019

| <u>ASSETS</u> | | 2019 | 2018 |
|-------------------------------------|-------|--------------------|--------------------|
| | Notes | =N= | =N= |
| Non-current assets | | | |
| Property, plant and equipment | 4 | 120,129,230 | 120,129,230 |
| Intangible Assets | 3 | 13,254,498 | 12,186,974 |
| Total non-current assets | | 133,383,728 | 132,316,204 |
| Current assets | | | |
| Cash and cash equivalents | 1 | 102,742 | 102,766 |
| Trade and other receivables | | - | - |
| Total current assets | | 102,742 | 102,766 |
| Total assets | | 133,486,470 | 132,418,970 |
| <u>LIABILITIES</u> | | | |
| Current liabilities | | | |
| Other payables | 2 | 33,486,470 | 32,418,970 |
| Total current liabilities | | 33,486,470 | 32,418,970 |
| <u>EQUITY</u> | | | |
| Share capital | 5 | 100,000,000 | 100,000,000 |
| Deficit | | | |
| Total equity | | 100,000,000 | 100,000,000 |
| Total liabilities and equity | | 133,486,470 | 132,418,970 |

The Statement of Affairs were approved by the Board of Directors on 30TH MARCH, 2020
and signed on its behalf by:



Director



Director

NOTES TO THE STATEMENT OF AFFAIRS
As At October 31, 2019

| | 2019 | 2018 |
|---|--------------------------|--------------------------|
| | =N= | =N= |
| 1. CURRENT ASSETS | | |
| Cash and cash equivalents | 102,742 | 102,766 |
| | <u>102,742</u> | <u>102,766</u> |
| | <u><u>102,742</u></u> | <u><u>102,766</u></u> |
| 2. CURRENT LIABILITIES | | |
| Other payables | 33,486,470 | 32,418,970 |
| | <u>33,486,470</u> | <u>32,418,970</u> |
| | <u><u>33,486,470</u></u> | <u><u>32,418,970</u></u> |
| 3. INTANGIBLE ASSETS | | |
| Pre incorporation expenses | 445,000 | 445,000 |
| Incorporation costs | 3,652,000 | 3,652,000 |
| Preliminary/Post incorporation expenses | 1,075,000 | 1,075,000 |
| Pre operational expenses | 8,082,498 | 7,014,974 |
| | <u>13,254,498</u> | <u>12,186,974</u> |
| | <u><u>13,254,498</u></u> | <u><u>12,186,974</u></u> |

NOTES TO THE STATEMENT OF AFFAIRS

4. Schedule of Property, plant & equipment

| | Leasehold Land | Industrial Building | Furniture, Fixtures & Fittings | Total |
|---------------------|-------------------|------------------------|--------------------------------------|--------------------|
| (A) COST: | =N= | =N= | =N= | =N= |
| At November 1, 2018 | 70,000,000 | 48,378,760 | 1,750,470 | 120,129,230 |
| Additions | - | - | - | - |
| At October 31, 2019 | <u>70,000,000</u> | <u>48,378,760</u> | <u>1,750,470</u> | <u>120,129,230</u> |
| (B) DEPRECIATION: | | | | |
| At November 1, 2018 | - | - | - | - |
| Charge for the year | - | - | - | - |
| At October 31, 2019 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| (C) NET BOOK VALUE | | | | |
| October 31, 2019 | <u>70,000,000</u> | <u>48,378,760</u> | <u>1,750,470</u> | <u>120,129,230</u> |
| November 1, 2018 | <u>70,000,000</u> | <u>48,378,760</u> | <u>1,750,470</u> | <u>120,129,230</u> |

- (i) The fixed assets had not been put to use since they were purchased.
The Leasehold land was purchased on November 7, 2008 and expires on July 8, 2079 i.e about 70years.
- (ii) Depreciation will be charged on the fixed assets from the year of commencement of business over the expected useful life of each asset.

5. SHARE CAPITAL

| | 2019 | 2018 |
|-----------------------------------|--------------------|--------------------|
| Authorised, Issued and Fully Paid | =N= | =N= |
| Ordinary Shares of =N=1 each | <u>100,000,000</u> | <u>100,000,000</u> |

The authorised share capital was fully subscribed to by the foreign shareholders. The total amount which was remitted to the company's banker was covered by the Union Bank of Nigeria Plc, Certificate of Capital Importation No. 013436 dated February 10, 2009.