



**Zawia 2 Owners Association
Kingdom of Bahrain**

**Financial Statements and Independent Auditors' Report
for the year ended 31st January 2023**

Zawia 2 Owners Association

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Zawia 2 Owners Association

General Information

Establishment No : 78312501 obtained on 25th February 2019

Board of members :

Khalid Abdulla Ghuloom Albastaki	- Chairman
Adel Abdulla Mustafa Dawood	- Vice Chairman
Fawzan Khalifa Yusuf Abdulla Bufarsan	- Secretary
Mustafa Mohamed Ali Yusuf Mizal	- Treasurer
Masooma Abduljalil Mohamed Ali Aldailami	- Board member
Rashid Ayed Abdelaziz Jabara	- Board member
Ameer Khalil Ebrahim Rabeea Alderazi	- Board member

Registered office : Flat 0, Building 2040,
Road 5717, Block 257,
Amwaj, Kingdom of Bahrain.

Auditors : SVC Auditing & Tax Consultants
Specialized Bahraini Partnership Company
Office 107, Building 106, Road 20, Block 331
Abdulrahman Jassim Kanoo Avenue,
Zinj, Kingdom of Bahrain

Zawia 2 Owners Association

Board Members' report

The Board Members of Zawia 2 Owners Association (the "Association") has pleasure in presenting the annual report and the financial statements of the establishment for the period year ended 31st January 2023.

Principal activities

The principal activities of the association are real estate activities with own or leased property.

Highlights of Zawia 2 Owners Association for the year ended 31st January 2023.

During the current year, the members of the association resolved to charge annual service fees of BD. 7,300 per annum, and a major part of the amount, i.e., 66% of the total annual revenue, is used to pay the EWA bills for the year.

Below is the year wise Electricity bill for the past 6 years:

Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022- 23
Amount in BHD	96,168	102,330	115,767	122,230	124,272	121,390
% of EWA on annual Fees	52%	55%	58%	64%	66%	65%

Results

The statement of financial position and the results of the association or the year are set out on pages 7 and 8 of the financial statements.

Statement of Board of Director's Responsibility

The Board Directors of the association is responsible for preparing the Board of Directors Report and the financial statements in accordance with applicable laws and regulations. The Board is also responsible for keeping adequate accounting records that are sufficient to show and explain the association's transactions and disclose with reasonable accuracy at any time, the financial position of the association. It is also responsible for safeguarding the assets of the association and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Board on 2 July 2024.

Declaration based on Ministerial Order No. 103 of 2021

We confirm that we have no relationship in any manner with any individual or entity listed in the Domestic or UN sanction list during the year ended 31st January 2023 and that we have complied with all the obligations of Ministerial Order No. 103 of 2021 pertaining to reporting of suspicious or unusual transactions.

Declaration based on Anti-Money Laundering and Terrorism Financing

We declare that we have proper internal control systems according to the size of the association in detecting, recording, and identifying suspicious or unusual transactions as per Ministerial Order No. 103 of 2021 with respect to obligations relating to the Procedures on the Prohibition and Combatin

Zawia 2 Owners Association

Board Members' report

Money Laundering and Terrorism Finance in the business of the persons registered in the Commercial Register in the Kingdom of Bahrain

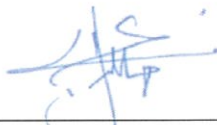
Auditors

The financial statements have been audited by SVC Auditing & Tax Consultants Specialized Bahraini Partners hip association and the Board of Directors proposed to reappoint SVC Auditing & Tax Consultants as the external auditors of the association for the next financial year, who has expressed their willingness to continue in office.

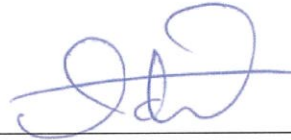
Board Members

The Board Members take this opportunity to place on record their appreciation to the Board Members for their loyalty and dedication, which has greatly helped to maintain the reputation and results of the association.

On behalf of the Board Members



Khalid Abdulla Ghuloom Albastaki
Chairman



Adel Abdulla Mustafa Dawood
Vice Chairman

Manama, Kingdom of Bahrain

Independent auditors' report to the Members of Zawia 2 Owners Association

Report on the audit of the financial statements

Qualified Opinion

We have audited the financial statements of Zawia 2 Owners Association (the "Association"), which comprise the statement of financial position as at 31st January 2023, the statement of profit or loss and other comprehensive income, the statement of changes in shareholders' equity for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except from below, the accompanying financial statements present fairly, in all material respects, the financial position of the association for the year ended 31st January 2023, and of its financial performance for the period then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

We did not receive confirmation from the banks with respect to the bank statements, bank balances and any borrowings or other arrangements with the banks as at 31st January 2023. We were unable to obtain sufficient appropriate audit evidence for the current account balance, guarantees and contingent liabilities if any, by other audit procedures and therefore, we could not determine whether any adjustments that are required for these amounts or disclosures were necessary.

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 association in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bahrain, 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.

Other information

The financials of the association for year ended 31st January 2022 were audited by another auditor who expressed an unmodified audit opinion dated 05th May 2022 on these financial statements.

Management is responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs 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.

In preparing the financial statements, the Board of Directors is responsible for assessing the association'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 association or to cease operations, or has no realistic alternative but to do so.

Auditors' 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.

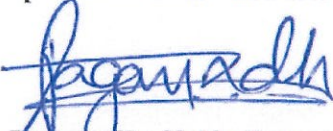
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We are also:

- 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Association'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 association 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 fair presentation.

We communicate with the management 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.

SVC Auditing & Tax Consultants

Specialised Bahraini Partnership Company



Jagannadha Naidu Pemmasani

Managing Partner

Registration No: 225



Manama, Kingdom of Bahrain

2 July 2024

Zawia 2 Owners Association
Statement of financial position as at 31st January 2023

(In Bahraini Dinars)

Exhibit - A

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	5,029	15,836
Total Non-current assets		5,029	15,836
Current Assets			
Accounts and other receivables	6	95,656	77,286
Cash and cash equivalents	7	87,891	99,112
Total Current Assets		183,547	176,398
TOTAL ASSETS		188,576	192,234
CAPITAL FUND AND LIABILITIES			
Members fund			
Accumulated funds	Exhibit C	23,485	148,969
		23,485	148,969
Current liabilities			
Accruals and other payables	8	165,091	43,265
Total current liabilities		165,091	43,265
Total equity and liabilities		188,576	192,234

These financial statements were approved and authorized for issue by the management on 2 July 2024 and signed by:

Khalid Abdulla Ghuloom Albastaki

Chairman

Adel Abdulla Mustafa Dawood

Vice chairman

Notes on pages 11 to 18 form an integral part of these financial statements.

Zawia 2 Owners Association

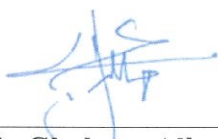
Statement of income and expenditure for the year ended 31st January 2023

(In Bahraini Dinars)

Exhibit - B

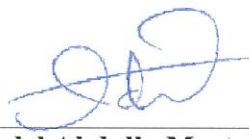
	<u>Notes</u>	<u>2023</u>	<u>2022</u>
Service income		185,964	186,976
Other income	9	439	8,789
Total Income		186,403	195,765
General and administrative expenses	10	(226,184)	(216,206)
Depreciation	5	(10,807)	(15,748)
Total Expenses		(236,991)	(231,954)
Other comprehensive income/(loss) for the year		-	-
Deficit/Surplus for the year		(50,588)	(36,189)
(Transferred to Members fund)			

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Khalid Abdulla Ghuloom Albastaki

Chairman



Adel Abdulla Mustafa Dawood

Vice Chairman

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Zawia 2 Owners Association

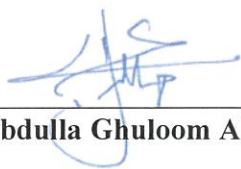
Statement of changes in members fund for the year ended 31st January 2023

(In Bahraini Dinars)

Exhibit - C

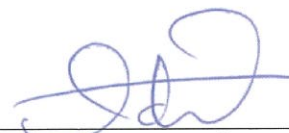
	<u>Surplus/(Deficit)</u>	<u>Total</u>
Balance as at 31st January 2021	185,158	185,158
Deficit for the year 2022	(36,189)	(36,189)
Balance as at 31st January 2022	148,969	148,969
Prior year adjustment	(50,588)	(50,588)
Deficit for the year 2023	(74,896)	(74,896)
Balance as at 31st January 2023	23,485	23,485

These financial statements were approved and authorized for issue by the management on 2 July 2024 and signed by:



Khalid Abdulla Ghuloom Albastaki

Chairman



Adel Abdulla Mustafa Dawood

Vice chairman

Notes on pages 11 to 18 form an integral part of these financial statements.

Zawia 2 Owners Association

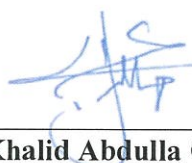
Statement of cash flows for the year ended 31st January 2023

(In Bahraini Dinars)

Exhibit - D

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Deficit for the year Adjustments for:	(50,588)	(36,189)
Depreciation expense	10,807	15,748
Prior year adjustment	(74,896)	-
	<u>(114,677)</u>	<u>(20,441)</u>
Changes in operating assets and liabilities:		
Accounts and other receivables	(18,370)	22,971
Accruals and other payables	121,826	18,813
Net cash (used in) / from operating activities	<u>(11,221)</u>	<u>21,343</u>
Cash flows from investing activity:		
Purchase of plant and equipment	-	(3,809)
Net cash used in investing activity	<u>-</u>	<u>(3,809)</u>
(Decrease)/ increase in cash and cash equivalents	(11,221)	17,534
Cash and cash equivalents at the beginning of the year	99,112	81,578
Cash and cash equivalents at the end of the year	<u><u>87,891</u></u>	<u><u>99,112</u></u>
Represented by:		
Bank balance	<u><u>87,891</u></u>	<u><u>99,112</u></u>

These financial statements were approved and authorized for issue by the management on 2 July 2024 and signed by:



Khalid Abdulla Ghuloom Albastaki

Chairman



Adel Abdulla Mustafa Dawood

Vice Chairman

Notes on pages 11 to 18 form an integral part of these financial statement.

Zawia 2 Owners Association

Notes to the financial statements for the year ended 31st January 2023

1. Organization and activities

Zawia 2 Owners Association (The “Association”) is a non-profit organisation registered in the Kingdom of Bahrain under registration number 78312501 obtained on 25th February 2019. The Registered office of the association is located at Building 2040, Road 5717, Block 257, Amwaj, Manama, Kingdom of Bahrain.

The principal activities of the association are real estate activities with own or leased property.

2. Basis of preparation

2.1 Basis of measurement

The association’s financial statements have been prepared on an accrual basis and under the historical cost convention. The association’s financial statements are presented in Bahrain Dinars. All values are rounded to the nearest Bahrain Dinar.

2.2 Statement of compliance

The financial statements of the association have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in conformity with the Bahrain Commercial Companies Law.

2.3 Cash and cash equivalents

For the purpose of statement of cash flow, cash and cash equivalents comprise of cash in hand and bank balance.

2.4 Going Concern

These financial statements are prepared on the basis that the association is a going concern and will continue in operation for the foreseeable future and it has no intention or necessity to liquidate.

3. Significant accounting policies

(a) Property, Plant, and equipment

Except for land, all items of property, plant, and equipment are measured at cost, less accumulated depreciation, and any accumulated impairment losses. As no finite useful life for land can be determined, related carrying amounts are not depreciated. The cost of the plant and equipment includes the cost of bringing them to their present location and condition.

Zawia 2 Owners Association

Notes to the financial statements for the year ended 31st January 2023

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the association and its cost can be measured reliably. All other costs are recognised in the statement of comprehensive income as expenditures incurred. Depreciation is recognised on a straight-line basis to write down the cost less the estimated residual value of plant and equipment.

The estimated useful lives of plant and equipment for the depreciation purpose are as follows:

Building improvements	5 years
Landscaping	5 years
Furniture and fixtures	5 years

Gains or losses arising on the disposal of plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in the statement of comprehensive income within 'other income' or 'other expenses'.

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new changes.

(b) Income and expenditure

Income consists of service charges from members of the association and is recognized on an accrual basis. Other income is recognized on an accrual basis.

(c) Cash and cash equivalents

For the purpose of statement of cash flow, cash and cash equivalents comprise of cash in hand, cash at bank.

(d) Accounts and other payables

Liabilities for accruals and other payables are recognised on an accrual basis for the amounts due to be paid in the future for good or services received, whether billed by the supplier or not to the association.

(e) Financial instruments

Recognition and derecognition

Financial assets and liabilities are recognized when the association becomes a party to the contractual provisions of the financial instrument.

Zawia 2 Owners Association

Notes to the financial statements for the year ended 31st January 2023

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled, or expires.

Financial assets

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable), except for those trade and other receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15.

Financial assets are classified into the following categories:

- Amortised cost,
- fair value through profit or loss (FVTPL), and
- Fair value through other comprehensive income (FVOCI).

⁴ In the years presented the association does not have any financial assets categorised as FVTPL or FVOCI.

The classification is determined by both:

- The entity's business model for managing the financial asset, and
- The contractual cash flow characteristics of the financial asset..

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15, and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the association first identifying a credit loss event. Instead, the association considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage2').

Zawia 2 Owners Association

Notes to the financial statements for the year ended 31st January 2023

- ‘Stage 3’ would cover financial assets that have objective evidence of impairment at the reporting date. ‘12-month expected credit losses are recognised for the first category while ‘lifetime expected credit losses are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Accounts and other receivables

The association makes use of a simplified approach in accounting for other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the association uses its historical experience, external indicators, and forward-looking information to calculate the expected credit losses using a provision matrix. The association assesses the impairment of other receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Classification and measurement of financial liabilities

The association’s accounting of financial liabilities remains largely the same as under IFRS 9 compared to IAS 39, and the same were not impacted by the adoption of IFRS 9. However, for completeness, the accounting policy is described below.

Financial liabilities

Financial Liabilities are recognized on an accrual basis for the amounts due to be paid in the future for services received, whether billed by the supplier or not. The association’s financial liabilities include accounts payable and accruals. Financial liabilities are initially measured at fair value and adjusted for transaction costs where applicable unless the association designated a financial liability at fair value through profit or loss, if any. Subsequently, financial liabilities are measured at amortized cost using the effective interest method except for financial liabilities designated at fair value through profit or loss, which are carried subsequently at fair value with gains or loss recognized on profit or loss. All interest-related charges and, if applicable, changes in an instrument’s fair value that are reported in profit or loss are included within finance costs or finance income.

4. Significant accounting judgments and estimates

The association’s financial statements prepared under IFRS require the association to make judgments and estimates that affect the amounts reported in the financial statements and related notes. Future events may occur which may cause the judgments and assumptions used in arriving

Zawia 2 Owners Association

Notes to the financial statements for the year ended 31st January 2023

at the estimates to change. The effects of any change in judgments and estimates are reflected in the association's financial statements as they become reasonably determinable.

Use of estimates

The key assumptions concerning the future and other key sources of estimation and uncertainty at the financial position date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Useful lives of depreciable assets.

Association reviews the useful lives of depreciable assets at each reporting date. At 31st January 2023, association assesses that the useful lives represent the expected utility of the assets to Zawia 2 Owners Association.

5. Property, plant and equipment

	<u>Land scaping</u>	<u>Furniture & fixtures</u>	<u>Building improvements</u>	<u>Total</u>
Cost:				
At January 31, 2022	2,745	3,068	110,480	116,293
Additions for the year	-	-	-	-
At January 31, 2023	<u>2,745</u>	<u>3,068</u>	<u>110,480</u>	<u>116,293</u>
Depreciation:				
At January 31, 2022	(2,745)	(2,466)	(85,246)	(100,457)
Charges for the year	-	(400)	(10,407)	(10,807)
At January 31, 2023	<u>(2,745)</u>	<u>(2,866)</u>	<u>(105,653)</u>	<u>(111,264)</u>
Net carrying amount:				
At January 31, 2023	<u>-</u>	<u>202</u>	<u>4,827</u>	<u>5,029</u>
At January 31, 2022	-	602	15,234	15,836

6. Accounts and other receivables

All amounts are considered are short term receivables. The net carrying value of accounts and other receivables is considered a reasonable approximate of fair value at the date of the financial statements.

	<u>2023</u>	<u>2022</u>
Service fees receivables	94,396	76,089
Prepaid expenses	660	597
Advance paid to suppliers	600	600
	<u>95,656</u>	<u>77,286</u>

Zawia 2 Owners Association

Notes to the financial statements for the year ended 31st January 2023

7. Cash and cash equivalents

The current account balance with the banks is non-interest bearing.

	<u>2023</u>	<u>2022</u>
Bank balance	<u>87,891</u>	<u>99,112</u>

8. Accruals and other payables

The carrying value of accruals and other payables are considered to be a reasonable approximate of fair value at the financial position date.

	<u>2023</u>	<u>2022</u>
Sundry creditors	57,460	41,344
Accrued expenses	100,859	300
Advance received from flat	6,772	1,621
	<u>165,091</u>	<u>43,265</u>

9. Other income

	<u>2023</u>	<u>2022</u>
Administration fees for the defaulters	439	-
Rental Income	-	8,789
	<u>439</u>	<u>8,789</u>

10. General and administrative expenses

	<u>2023</u>	<u>2022</u>
Utilities	(121,319)	(124,602)
Management expenses	(5,200)	(4,800)
Repairs and maintenances	(58,663)	(74,932)
Legal & professional expenses	(3,440)	(1,710)
Annual charges	(23,653)	
Other expenses	(13,909)	(10,162)
	<u>(226,184)</u>	<u>(216,206)</u>

Zawia 2 Owners Association

Notes to the financial statements for the year ended 31st January 2023

11. Financial assets and liabilities and risk management

The Association principal financial instruments comprise of accounts and other receivables, amounts due from related parties, cash and cash equivalents, accruals and other payables and amount due to related party.

The Association does not actively engage in the trading of financial assets for speculative purposes, nor does it write options.

The main risks arising from the Association's financial instruments are cash flow interest rate risk, liquidity risk, foreign currency risk and credit risk. The Board approves policies for managing each of these risks, which are summarized below.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Association is not exposed to significant interest rate risk as the Association has no outside borrowings.

b. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The association's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the association's reputation. The association ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

c. Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Association's transactions are mainly in Bahraini dinar, and the Association's net exposure to foreign currency risk is not significant as the currency risk on foreign currencies is actively monitored by the Board of Directors.

d. 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 discharge an obligation. The association trades only with recognized, creditworthy third parties. It is the association's policy that all customers who wish to trade on

Zawia 2 Owners Association

Notes to the financial statements for the year ended 31st January 2023

credit terms are subject to credit verification procedures. A regular annual review and evaluation of these accounts are carried out to assess the credit standing of the members.

12. Fair value of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences may arise between the carrying values and the fair value estimates. The fair value of the Association's assets and liabilities are not materially different from their carrying values due to their short-term nature.

13. Comparative figures

Comparative figures have been regrouped or reclassified wherever necessary, to confirm with the current year's presentation.