HM Sultan Qaboos Bin Said, Sultan of Oman

Oman Fisheries Co. S.A.O.G

Twentyfifth Annual Report
2013 - 2014

Oman Fisheries Co. S.A.O.G

INDEX

Oman Fisheries Co. S.A.O.G

BOARD MEMBERS

Sheikh Mohammed bin Hamad bin Ali Al Masrouri
Chairman

Saleh bin Nasser bin Juma Al Araimi
Deputy Chairman

Abdul Ameer bin Said bin Mohammed
Director

Dr. Saud bin Hamood bin Ahmed Al Habsi
Director

Qais bin Mahmood bin Abdalla Al Khonji
Director

Sheikh Salah bin Hilal bin Naser Al Mawali
Director

Hani bin Dawood bin Hamdan Al Baharani
Director

Musalam Amer Al Ammri
Director

CHAIRMAN REPORT

Dear Shareholders,

On behalf of members of the Board of Directors, I am pleased to welcome you on the occasion of 25th Annual General Meeting of the Company to review together the performance of your Company and to approve annual report and audited financial statement for the financial year ended on 31st March, 2014 along with corporate governance report for SAOG Companies.

Financial results and performance of the company:

During the Financial year, the company faced various difficulties in achieving targeted quantities and species of fish. The fish catch during year was very low and actual working days were less than 200 days because of unfavorable weather conditions and local conflicts among fishermen in some areas. The company was not able to procure aggressively substantial quantity of cuttlefish during this year. In the previous year the company got affected by poor quality of cuttle fish, which contributes major element of our turnover. This has affected the financial performance of the company.

Your Company had made procurement of fish RO 8.5 Million from the local fishermen for the financial year ended on 31st March, 2014 as compared to the last year fish procurement of RO 13.8 Million thereby decrease of 38%. Company had achieved consolidated sales turnover of RO 19.8 Million as compared to last year turnover of RO 26.3 Million thereby decrease of 26% as compared to last year.

Your Company has posted consolidated net loss RO 711,021/- as compared to the last year profit of RO 70,074/-

As compared to previous year there is increase in staff cost by R.O 533,572 (23% increase).This is due to encouraging Omanisation, annual increments as per government regulations.

The Board of Directors had taken decision in last year to sell some of the portion of investment. As per this decision the portfolio managers had sold shares worth of RO 691,880/-. Sale proceed of the investment is used to finance new upcoming projects of the Company

The results of F.Y. ended 31st March 2014 represent the consolidation of Oman Fisheries co. SAOG, Oman Fisheries Co. FZE and Al Ameen Stores and Refrigeration LLC.

Future outlook

Two Fish processing factories are under construction in Salalah and Shoqra will be operational in next season. This will increase our processing capacity by 80%. In a phased manner, our dependence on leased plants will be reduced. Company has planned to go ahead with pilot project on seaweeds farming on Government allocated area in sea. The company has initiated viability studies with government for identification of appropriate land. We are in process of technical, financial feasibility studies.

Corporate Social Responsibility

On the Social front, the company had sponsored and supported many social events, local communities on their various initiatives. Your Company has been supporting to fishermen as interest free loan towards procurements of boats, engines and fishing equipments etc. This is being adjusted against the fish supplied by them. The company has supplied ice and bait to our fishermen.

Internal control systems:

The system of internal control of the Company is in line with the size of its operations, business activities and in conformity with the requirement of the Capital Market Authority. The Company had established in-house internal audit department who is directly reporting to the Board of Directors in addition to this Company had appointed PWC as internal auditor. The Internal Audit Committee formed by the Board of Directors reviews effectiveness of internal controls and interacts on regular basis with internal auditor to review their reports. Government of Sultanate of Oman is holding 24% stake in Company. Company is committed to follow laws and regulations set up through its Articles of Association and Capital Market Authority.

During the year 2013, the company has secured first position in the corporate governance awards organized by Capital Market Authority for following the best practices of corporate governance recommended by CMA in Sultanate of Oman.

Acknowledgement

On behalf of the Board of Directors and Management of the Company, I wish to acknowledge and expressed my sincere gratitude to His Majesty Sultan Qaboos Bin Said and his Government for establishing good working environment in the fisheries sector and for taking good steps for food security in the Country. Further, on behalf of all of us I am sincerely thankful to the Ministry of Agricultural and Fisheries and all Government agencies for their continuous support to Oman Fisheries Co. SAOG.

Further, we are extending our thanks to, suppliers, banks, customers the employees of the Company for their continuous efforts and we are wishing them all the success for the coming financial year.

Mohammed bin Hamad bin Ali al Masrouri
Chairman

Deloitte.

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TO THE SHAREHOLDERS OF
OMAN FISHERIES COMPANY SAOG

We have performed the procedures prescribed in Capital Market Authority (CMA) Circular No. 16/2003 dated 29 December 2003 with respect to the accompanying corporate governance report of **Oman Fisheries Company SAOG** and its application of corporate governance practices in accordance with CMA Code of Corporate Governance issued under circular No. 11/2002 dated 3 June 2002 as supplemented by the Rules and Guidelines on Disclosure by Issuers of Securities and Insider Trading approved by Administrative Decisions no. 5/2007 dated 27 June 2007 and the Executive Regulation of the Capital Market Law issued under the Decision No. 1/2009 dated 18 March 2009 (collectively the Code and additional regulations and disclosures). Our engagement was undertaken in accordance with the International Standards on Related Services applicable to agreed-upon procedures engagements. The procedures were performed solely to assist you in evaluating the Company's compliance with the code as issued by the CMA.

We report our findings as below:

We found that the Company's corporate governance report fairly reflects the Company's application of the provisions of the Code and is free from any material misrepresentation.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the corporate governance report.

Had we performed additional procedures or had we performed an audit or review of the corporate governance report in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose. This report relates only to the accompanying corporate governance report of **Oman Fisheries Company SAOG** to be included in its annual report for the year ended 31 March 2014 and does not extend to any financial statements of **Oman Fisheries Company SAOG**, taken as a whole.

Deloitte & Touche

دیلویت آند توش (الشرق الأوسط) وشركاه ش.م.م
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سلطنة عمان
P.O.Box 258, P.C. 112
Sultanate of Oman
Deloitte & Touche (M.E.) & Co. LLC

Deloitte & Touche (M.E.) & Co. LLC
Muscat, Sultanate of Oman
26 May 2014

REPORT ON CORPORATE GOVERNANCE

The Company has implemented the Code of Corporate Governance during the financial year issued by the Capital Market Authorities.

1. Company Philosophy on Code of Corporate Governance

The Company has always believed in fair business and corporate practices while dealing with Shareholders, employees, Customers, Creditors and Others. The Company is prompt in discharging its statutory obligations and duties. The Company is maintaining policies, procedures and systems for the purposes to ensure the fair and timely release of information about the Company.

The Board of Directors ("the Board") has had adequate representation of the qualified, Non-executive and Independent Directors. The Board has constituted various Committees of directors from time to time for the matters which require special attention. The Board has adequately empowered the Executive Management on all day-to-day matters, subject to the overall authority vested in the Board. The Directors attending the Board and Committee meetings and actively participate in their proceedings. The Company lays strong emphasis on audit and internal controls, having regard to the nature of the company's business and has introduced suitable checks and balances to ensure sound integrity of the operations. The Company also lays a very high emphasis on total compliance with the various laws and regulations of the Country.

2. Board of Directors

As per the Article 19 of Articles of Association of the Company the strength of the Board is eight Directors, and all of them are Non executive and Independent among them 6 Directors are elected by shareholders during the AGM and 2 directors are appointed by resolution from the Cabinet.

The primary functions of the Company's Board of directors in general include amongst others the following:

- To approve business and financial policies to meet the objectives of the Company and enhance shareholders value.
- Review and approve the Company's annual budget / plans and monitoring corporate performance against the budget.
- Approve and implement the disclosure policy in compliance with regulatory requirements.
- Ensure compliance with regulatory requirements, policies, procedures and laws.
- Nominating members of subcommittees and defining their roles, responsibilities and authorities.
- Evaluate and appoint senior management executives.
- Review effectiveness of systems and procedure of internal controls.
- Constantly monitor and oversee the Corporation's financial position, adherence to reporting standards and policy of public disclosure of material information.

To facilitate proper governance, the Company's management places before the Board, at least, the minimum information as required by Article 4 of the Code of Corporate Governance.

The current Board of directors as on 31st March 2014 consists of 8 members, six of them were elected on 19th June 2012 and other two were appointed by the Cabinet and one of the Director, who is represented by the Ministry of Agriculture & Fisheries has resigned his post from Ministry. The details of them is as follows:

Composition of Board of Directors

Name of the Director	Designate	Category, basis & Capacity of Membership	Number of other Boards of SAOG Companies in which Director
Mohammed bin Hamad bin Ali al Masrouri	Chairman	Non – Executive, Independent & In Personal Capacity	-
Mr. Saleh bin Nasser bin Juma al Araimi	Deputy Chairman	Non – Executive, Independent & In Personal Capacity	1
Dr. Saud Bin Hamood Bin Ahmed Al-Habsi	Director	He is Resigned from his post at Ministry of Agriculture & fisheries	-
Sheikh Salah bin Hilal bin Naser al Mawali	Director	Non – Executive, Independent & In Personal Capacity	3
Mr. Abdul Ameer bin Said bin Mohammed	Director	Non – Executive, Independent & In Personal Capacity	-
Mr. Hani Bin Dawood Bin Hamdan Al Baharani	Director	Non – Executive, Independent & Nominee of Ministry of Finance.	-
Mr. Qais bin Mahmood bin Abdalla al Khonji	Director	Non – Executive, Independent & In Personal Capacity	1
Mr. MusalamAmer Al – Ammri	Director	Non – Executive, Independent & In Personal Capacity	-

Number of Meetings held and Dates of the meeting:

Meeting Description	Name of Directors / Members	Designation	Date of holding Meeting
Board of Directors Meeting	All Directors		• 27/05/2013 • 25/09/2013 • 12/11/2013 • 11/02/2014 • 26/02/2014 • 26/03/2014
Executive Committee Meeting	1. Mr. Saleh bin Nasser bin Juma al Araimi 2. Dr. Saud Bin Hamood Bin Ahmed Al-Habsi 3. Mr. Qais bin Mahmood bin Abdalla al Khonji 4. Mr. MusalamAmer Al – Ammri	– Chairman • Director • Director • Director	• 30/06/2013 • 02/10/2013 • 12/01/2014 • 04/02/2014 • 23/02/2014 • 19/03/2014
Internal Audit Committee Meeting	1. Mr. Abdul Amir bin Said Mohammed 2. Sheikh Salah Bin Hilal Bin Naser Al Mawali 3. Mr. Hani Bin Dawood Bin Hamdan Al Baharani	– Chairman • Director • Director	• 13/05/2013 • 26/05/2013 • 05/08/2013 • 30/09/2013 • 11/11/2013 • 10/02/2014

Name of Director	Attendance of Meeting for the year ended 31-03-2014				
	Annual General Meeting	Board Meeting	Executive Committee Meeting	Internal Audit Committee Meeting	Total Sitting Fees paid (RO)
Mohammed bin Hamad al Masrouri	Yes	6	-	-	3,000
Dr. Saud Bin Hamood Bin Ahmed Al-Habsi	Yes	1	1	-	700
Mr. Saleh bin Nasser bin Juma al Araimi	Yes	5	6	-	3,750
Mr. Abdul Amir bin Said bin Mohammed	Yes	4	-	4	2,800
Sheikh Salah bin Hilal bin Naser al Mawali	No	4	-	6	3,200
Mr. Hani Bin Dawood Bin Hamdan Al Baharani	Yes	5	-	6	3,500
Mr. Qais bin Mahmood bin Abdalla al Khonji	No	5	6	-	3,500
Mr. MusalamAmer Al - Ammri	Yes	6	6	-	3,900

3. Process of Nomination of Directors:

The Company's Board of Directors comes up for election once in three years. Accordingly, the present Board Election was to be held during the year's AGM.

Persons wishing to get nominated for the position of Director must hold minimum qualifying shares, as stipulated under Article 19 of the Company's Articles and Memorandum of Association, in addition to meeting other requirements as stipulated under the Commercial Companies Law. Currently the minimum numbers of shares for qualification is 30,000.

As per article of association clause number 22nd, there is one seat empty for election in this AGM, as one of our director who was represented by our major share holder and they have already sold all of the shares.

The Shareholder who wishes to be nominated, subject to the above qualification, shall collect the nomination forms either from the Company's office or the Capital Market Authority and complete the same and deposit it with the Company at least two (2) days before the date of the Annual General Meeting. The candidate shall ensure that all information required in the form is provided in an accurate and clear manner.

At the Annual General Meeting, all nominations that have been accepted by CMA shall qualify for the election to the Board, as per procedures laid down under the law.

4. Audit Committee

The Board of Directors has formed an Audit Committee, comprising of three independent directors. The committee was reconstituted on. The summary of responsibilities is as under:

- Examination of the adequacy and effectiveness of the internal control systems, policies and Procedures established by the management and ensure that recommendation made by the auditors in this regard are implemented.
- Oversee the activities of the statutory and internal auditors, including their appointment, scope of work, performance, review of their findings and recommendation and management action thereon.

- Ensure compliance with Laws and Regulations of the Sultanate.
- Report to the Board regarding committee activities and recommendations and keep the Board aware of matters affecting the business affairs and financial condition of the Company.
- Authorize the implementation of the Board's strategy.
- Oversee the implementation of the Board's strategy.
- Considering the name of the auditor in the context of their independence, fees and terms of engagement and recommending their name to the board for putting before the AGM for appointment.
- Review the audit plan and results of the audit and whether auditors have full access to all relevant documents.
- Checking the financial fraud particularly fictitious and fraudulent portion of the financial statements.
- Review the quarterly and yearly financial statements before issues, review of qualifications in the draft financial statements and discussion of accounting principles. In particular, change in accounting policies, principles and accounting estimates in comparison to previous year, any adoption of new accounting policy, any departure from International Accounting Standards (IAS) and non-compliance with disclosure requirements prescribed by the CMA.
- Serving as a channel of communication between external auditors and the board and also internal auditors and the board.
- Reviewing risk management policies and looking into the reasons of defaults in payment obligations of the company.
- Reviewing the specific transactions with related parties for making suitable recommendations to the board and setting rules for entering the small values transactions with related parties without obtaining the prior approval of audit committee and the board.

5. Executive Committee

The Board Executive Committee, which comprises of 4 directors, is chaired by the Dy. Chairman to the Board of Directors and meets as and when required. The objective of the Executive Committee is to discharge responsibilities on behalf of the board in deciding on specific and any other matters. The Executive Committee also reviews and recommends to the Board of Directors the annual budget of the Company.

6. Remuneration Matters

- Sitting Fees of RO 24,250 was paid to the directors during the year. During this year Board of directors had proposed remuneration of RO 25,650 (P.Y. 22,750).
- The top six senior executives of the Company have received a total amount of R.O. 134,131/- The above includes salary, benefits, bonuses, gratuity, etc.
- There are no incentives payable to the above based on performance criteria.
- Consolidated audit fees payable for the financial year 2013-2014 is RO. 10,000/-

7. Details of Non-Compliance by the Company.

There were no penalties or strictures imposed on the Company by MSM/CMA or any statutory authority for the last 3 years. There are no areas in which company is not compliant with the code of Corporate Governance.

8. Means of Communication with the Shareholders

a) Quarterly results are published in Arabic and English local newspaper and the Shareholders are notified that the detailed accounts will be sent to any Shareholder who requests the same.

b) Annual Reports containing the audited financial statements together with the Chairman's Report, Related Party Transactions and invitation to attend the AGM are sent by registered Post to all shareholders.

c) Management Discussion and Analysis Report is a part of this Annual report.

d) The company has its own website and the information relating to the Company products and facilities are posted on the website for all interested parties. The company's website is www.omanfisheries.com

9. Market Data

a) The following table depicts the high, and low of company's share traded during the financial year ended 31st March 2014 with month end general index.

MONTH	HIGH	LOW	MSM Index
Apr-13	0.115	0.114	6,127
May-13	0.111	0.110	6,417
Jun-13	0.107	0.105	6,338
Jul-13	0.109	0.108	6,643
Aug-13	0.109	0.107	6,691
Sep-13	0.104	0.103	6,646
Oct-13	0.111	0.110	6,674
Nov-13	0.105	0.103	6,726
Dec-13	0.100	0.098	6,834
Jan-14	0.104	0.103	7,087
Feb-14	0.107	0.107	7,113
Mar-14	0.102	0.100	6,856

b) Distribution of Shareholding No Change

The share capital comprises of 125,000,000 fully paid ordinary shares of R.O. 0.100 each.

Major shareholders as of 31/03/2013

Shareholders	Number	No. Of Shares held	Shareholding %
Government of Sultanate of Oman	1	30,000,000	24.00 %
Others – Public	16,513	95,000,000	76.00%

10. Review of Internal Control Systems and their adequacy

The company has been constantly monitoring and upgrading its internal control procedures and systems. The company has appointed an in house internal audit team as well as an external firm of auditors for the review of internal controls .Further, the Audit Committee is involved in the review process and has reviewed the internal controls and procedures adopted by the company and found them to be effective.

11. Internal Audit Department

Company having in-house Internal Audit Department headed by CA. Shazad Chandio who is a Chartered Accountant from the Institute of Chartered Accountants of Pakistan. His Previous Experience includes 3 years of working with an audit firm and 2 years of working as a auditor in a Bank in Pakistan.

Further, Company had appointed PwC audit firm to assist her for carrying out Internal Audit function. PwC is a global network of firms operating in 158 countries with 169,000 people committed to providing quality in assurance, tax and advisory services.

PwC is the fastest growing professional services firm in the Middle East region and has offices in Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Oman, the Palestinian territories, Qatar, Saudi Arabia and the United Arab Emirates, employing around 2,500 people.

PwC has been established in Oman for over 40 years and the Firm comprises four partners, including one Omani national, and over 140 professionals and support staff. Expert assurance, tax and advisory professionals are able to combine specialist internationally acquired consulting and technical skills with relevant local experience.

You can find more information about PwC at: www.pwc.com/middle-east.

12. External or Statutory Auditors and their Professional Profile

Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte has in the region of 200,000 professionals, all committed to becoming the standard of excellence.

Deloitte's professionals are unified by a collaborative culture that fosters integrity, outstanding value to markets and clients, commitment to each other, and strength from cultural diversity. They enjoy an environment of continuous learning, challenging experiences, and enriching career opportunities. Deloitte's professionals are dedicated to strengthening corporate responsibility, building public trust, and making a positive impact in their communities.

About Deloitte &Touche (M.E.):

Deloitte &Touche (M.E.) is a member firm of Deloitte Touche Tohmatsu Limited (DTTL) and is the first Arab professional services firm established in the Middle East region with uninterrupted presence for over 87 years. Deloitte is among the region's leading professional services firms, providing audit, tax, consulting, and financial advisory services through 26 offices in 15 countries with over 2,500 partners, directors and staff. Deloitte has been annually classified as a Tier 1 Tax advisor in the GCC region since 2010 by the International Tax Review World Tax Rankings.

13. Legal consultant

M/s Suliman Al Busaidi is a noted local legal consultant who employs qualified professional lawyers and was appointed as our retainer legal consultants for pursuing the company's legal matters.

14. Acknowledgment

The Board of Directors acknowledges confirmation of:

- Its responsibility for the preparation of the financial statements in accordance with the applicable standards and rules.
- Review of the efficiency and adequacy of internal control systems of the Company and that it compliance with internal rules and regulations
- There are no material matters effects the continuation of the Company and its ability to continue its operation during the next financial year.

For **OMAN FISHERIES CO SAOG**	For **OMAN FISHERIES CO SAOG**
AUTHORISED SIGNATORY	AUTHORISED SIGNATORY

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

For the year ended 31st March 2014

Introduction

The Management of the Oman Fisheries Co. SAOG (OFC) would like to present Discussion and Analysis report for the Financial Year 2013-14. Readers are encouraged to consider the information presented here in conjunction with information contained in the financial statements that follow this section.

Oman Fisheries Co. SAOG was formed by royal Decree no. 87/79 issued by His Majesty Sultan Qaboos bin Said by which Oman National Fisheries was merged with Oman Fisheries Co. Oman Fisheries Co. SAOG started its operation from 2nd April 1989. The paid up capital of the Oman Fisheries Co. SAOG is RO 12,500,000 consisting of 125,000,000 shares of RO 0.100 each. Company has family of more than 15,000 shareholders and Government of Oman is holding 24% stake.

Business Plan, Vision and Mission of the Company:

The company is in the process of implementing the approved 5 Year Business Growth Plan (2010-11 to 2014-15). The management is focusing of the main objective of the company for which it was established viz. food security, improving fisheries sector and increasing shareholders wealth.

Based on above main objectives the company has organized the management of company to achieve five years planed results, which are approved by the board of directors. Diverse communications methods were used by the Executive Management to communicate Vision, Mission and Goals and Objectives of Business Plan cascading down to all the levels of the employees in the organization. While in the first year the emphasis was on 'Procurement'; in the subsequent year importance for 'Quality' was taken up as initiative and is befitting for this year considering the turn of events. We have started establishing and implementing Performance Management Framework towards effective monitoring process.

Internal Control System and their adequacy

OFC realise the importance of having in place an adequate system of internal control and the company has appointed a full time Chartered Accountant for conducting Internal Audit. In addition to this a reputed firm of Chartered Accountants has been appointed who is coordinating with the internal auditor of the company to conduct internal audit services and provide independent reports on internal control systems followed for managing the operations. Internal Auditor has no major observations with relation to internal control system, misconduct or non compliance on the part of the company.

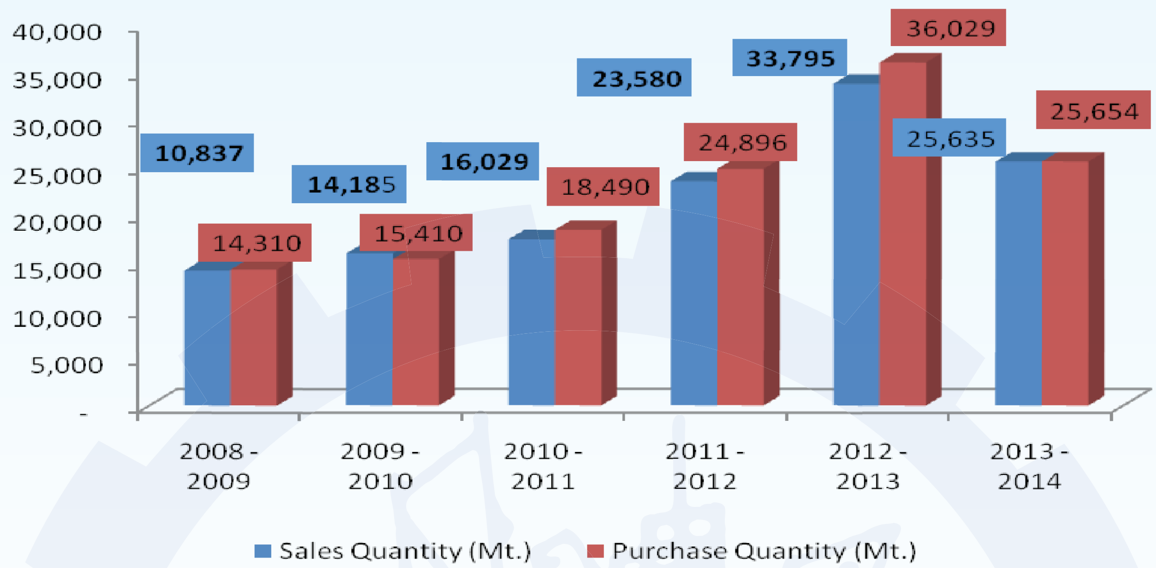
Business Highlights and Overview of Financial Performance:

After three successful years of incremental operating profit the company is facing a setback in terms of ending up in an operational loss in year 2013 – 2014. During the financial year, we could not improve upon the sales. This is because of unfavorable weather conditions and international price competition in export market. The operational performance in financial and quantitative terms is shown in the following table and graph respectively:

Particulars	2008-09	2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013	2013-14
Total Revenue	11,062	11,938	17,883	26,532	26,273	19,108
Operating Profit / (Loss)	(253)	442	520	895	(361)	(1,003)
Net Other Income	(1,342)	1,144	449	259	312	201
Profit before Taxation	(1,596)	1,587	969	1,154	(49)	(802)
Taxation	(17)	(107)	(109)	(126)	34	-
Profit after Taxation	(1,613)	1,480	860	1,028	(15)	(818)
Sales Quantity (Mt.)	14,185	16,029	17,490	23,580	33,795	25,635
Purchase Quantity (Mt.)	14,310	15,410	18,490	24,896	36,029	25,654

The fish catch during year was very low and actual working days were less as compared to last year, unfavorable weather conditions and local conflicts among fishermen in some areas. This resulted in fall in revenue by 26% compared to last year.

A. Procurement and Sales Growth **(Quantity in tons)**



Company's Activities, Sources of Incomes and Future Plans:

The Management adopted proactive and aggressive directions of change, diversification, expansion and innovation for enhancing Company's activities and source of income with the aim of achieving maximum benefits. As part of this 2 years back your company had set up new subsidiary company namely Al Ameen Stores and Refrigeration LLC. This Company is mainly involved in 3rd Party Logistic (3PL) service with a Warehouse capacity of 8,000 metric tons of storing frozen and chilled food products like fish, fish products, chicken, meat, vegetables and fruits. It has achieved an operating profit of RO 224,941 in its second year of operations, mainly owing to its business from the parent company and going ahead is confident of increasing its business outside through other auxiliary services like transportation, etc. This year the company has invested in additional processing plant facilities at Salalah and Soquara to increase their capacities to 7000 MT and we are expecting start operation in Salalah from June14 and in Soquara August 2014.

Other future projects in the pipeline are:

Aquaculture farming in Government allotted land. The company has initiated feasibility studies for the same along with firm having expertise in the field.

Business Plan to increase the role of OFC in local sales and to contribute towards Food Security initiatives of the nation and aiming to achieve the key objectives.

- Making Fresh fish available to consumers especially in the cities with high populations.
- Maintaining superior and consistent Quality with Better price
- Introduction of new fish shops across the country
- Creating job opportunities for the nationals
- Promoting corporate image Building the Brand of OFC's taQa as the "Brand of Choice in Oman".

The brief outline of current operations of above activities and the new initiatives taken by the Executive Management in order to translate the approach of change, diversification and innovations is given below:

1. Fish Procurement from Local fishermen:

The premiere slogan of our Business Growth Plan is "Procurement is the Name of Game" and we have used "Blue Ocean Strategy" as tool towards achieving this objective. The result of the successful implementation of the "Blue Ocean Strategy" is the continuous increase in purchases from local fishermen and the achievement of Procurement Strategy of 20% growth successfully for the past years, since the inception of the business plan. In 2013-14 the procurement of the company is effected purely because of nature prone to the influence of various parameters:

Procurement Performance: FY 2013-14					
	Qty in Mt	Value in RO.'000	Growth in quantity	Growth in Value	Against
Actual	25,635	11,136	-26%	-38%	Actual 2012-13
Budgeted	42,411	21,893	-40%	-49%	Budgeted 2012-13
Business plan	27,200	21,946	-6%	-49%	Business plan 2012-13
Actual 12-13	34638	17,896			

Sales Performance: FY 2013-14					
	Qty in Mt	Value in RO.'000	Growth in quantity	Growth in Value	Against
Actual	25,635	18,640	-24%	-29%	Actual 2011-12
Budgeted	40,940	34,294	-37%	-46%	Budgeted 2012-13
Business plan	27,200	32,976	-6%	-43%	Business plan 2012-13
Actual 12-13	33,795	26,103			

2. Increasing the Processed Fish Exports:

The species we export are by and large the ones not preferred by Omani consumers and therefore a considerable volume of these species were generally taken by the traders/truckers as a fresh fish without any value additions to the neighboring countries for sales. With our innovative initiatives; we were successful in attracting many of these traders supplying these species to us. OFC had processed and exported these fish and played a positive role in increasing the fisheries sector contribution to the national GDP. The major species exported are shown in the table below:

Major 4 Species Exported by the Company during financial year

S L No	Species Name	% Total Export Sale of OFC
1	Crab	5%
2	Hilsa	23%
3	Cuttle Fish	15%
4	Sardine	33%

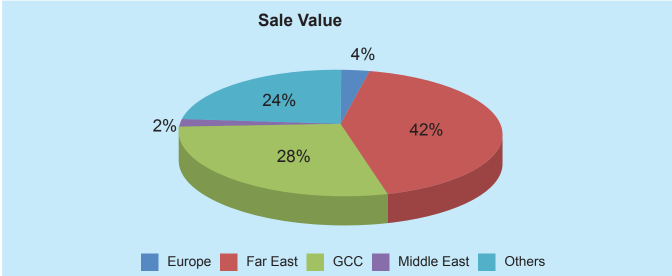
"Non-Selectivity" is another slogan practiced as part of the Business Growth Plan and the company continues to explore new markets in Asia, Europe and North African segments especially for species which are not in demand in the local market. Currently your company had expanded its activities in more than 40 Countries around the globe.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

For the year ended 31st March 2014

Data regarding region wise sales (RO '000') are given in the following table along with chart:

REGION	Value (RO ‹000›)	in terms of %
Far East	7,945	42%
GCC	5,277	28%
Europe	668	4%
Middle East	398	2%
Others	4,583	24%
Total	**18,871**	**100%**



Local Sales:

The company is continuing its efforts to support to the Government's initiatives of food security achievement in Oman. Last year during the off-season we have stocked around 2000 tons of fish for local sales and our prices were controlled at reasonable levels during this period. Total sale for the last financial year is 4,137 MT.

The company is planning to expand the local sale market by opening new fish shops like Burami Samail, Ibri and Muscat Region, Qurriyat Mawal Mabela Al Khaud in addition to what we have in Gala, Muttrah Sur Jallan Al Squawk & Salalah. The company have allocated a budget of RO 500,000/- for above mentioned sales outlets.

Learning & Development

Learning and development of staff is an important item in our Human Resource department's agenda. As part Business Plan implementation priorities, we focused on improving the quality of the Individual development plans and imparting training to nurture skills, knowledge required to achieve objectives effectively and efficiently.

The Management had realigned its strategy to ensure continuity going forward. Management had taken various steps to meet the challenges of skill up-gradation, capability building programs, leadership development programs and reward system. Management had set Key Performance Indicators (KPIs) for each department and on achievement of KPIs employees of that department will be rewarded suitably.

The Management plans to achieve 60% Omanisation in the coming years. As part of this and to build a line of managers from the Omani talents, select individuals handling key areas of the company are undergoing a Leadership pipeline training project to develop their managerial skills. Also as part of CSR initiatives, the company has sponsored the basic training and thereafter assured recruitment based on merit of unemployed Omani talents spread across the regions.

All this is motivating staff and promoting young Omani talents towards handling key areas of the Company.

Risks:

Procurement of the company is purely depend on wild catch which is by nature prone to the influence of various parameters like landing patterns, fish migration pattern, etc.

Due to the increased competition and more lucrative jobs offered by other sectors the company is facing difficulty in getting required number of Omani nationals for fishing and fish processing jobs.

Acknowledgement

On behalf of the Management, I thank the Chairman and board of Directors for their continued guidance and direction in managing the Company as a successful organization.

Our sincere appreciation and thanks to the officials in the Ministry of Agricultural and Fisheries Wealth, The Ministry of Finance, Oman Chamber of Commerce and Industry and all other Governmental bodies who supported us to achieve the what we had achieved.

Our heart felt thanks and appreciation to all our valued customers and suppliers for whole heartedly supporting the company and extending their co-operation.

Said Rashid Al Rawahi
General Manager

Deloitte.

Deloitte & Touche (M.E.) & Co. LLC
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Independent auditor's report to the shareholders of Oman Fisheries Co. SAOG and its subsidiaries

Report on the financial statements

We have audited the accompanying financial statements of **Oman Fisheries Co. SAOG** ("the Parent company") and the consolidated financial statements of **Oman Fisheries Co. SAOG and its subsidiaries** ("the Group"), which comprise of the Parent company's and consolidated statement of financial position as at 31 March 2014 and the Parent company's and consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 3 to 42.

Board of Directors' responsibility for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the Parent company's and consolidated financial statements in accordance with International Financial Reporting Standards and the relevant disclosure requirements of the Commercial Companies Law of 1974, as amended and the Rules and Guidelines on disclosure issued by the Capital Market Authority and for such internal control as the Board of Directors determines is necessary to enable the preparation of the Parent company's and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the Parent company's and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Parent company's and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Parent company's and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Parent company's and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the Parent company's and consolidated financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Parent company's and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Deloitte.

Independent auditor's report
to the shareholders of
Oman Fisheries Co. SAOG and its subsidiaries (continued)

Opinion

In our opinion, the Parent company's and consolidated financial statements, present fairly, in all material respects, the financial position of **the Parent company and the Group,** as of 31 March 2014, and its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Report on other legal and regulatory requirements

Also in our opinion, the Parent company's and consolidated financial statements comply, in all material respects, with the relevant disclosure requirements of the Commercial Companies Law of 1974, as amended and the Rules and Guidelines on disclosure issued by the Capital Market Authority.

Deloitte & Touche

Deloitte & Touche (M.E.) & Co. LLC
Muscat, Sultanate of Oman
26 May 2014

Signed by
Alfred Strolla
Partner

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2014

		Parent company		Group	
		2014	2013	**2014**	2013
	Notes	**RO**	RO	**RO**	RO
ASSETS					
Non-current assets					
Property, plant and equipment	6	**5,863,099**	3,489,640	**8,287,805**	5,804,302
Investment in subsidiaries	7	**515,750**	515,750	**-**	-
Held-to-maturity financial assets	8	**968,018**	1,100,153	**968,018**	1,100,153
Deferred tax asset	29	**13,358**	29,455	**13,358**	29,455
Total non-current assets		**7,360,225**	5,134,998	**9,269,181**	6,933,910
Current assets					
Inventories	9	**2,725,372**	2,849,526	**2,824,361**	2,850,918
Trade and other receivables	10	**3,033,475**	3,227,336	**2,850,366**	3,015,414
Financial assets at fair value through profit or loss	11	**289,520**	951,296	**289,520**	951,296
Fixed deposits	12	**1,250,000**	2,400,000	**1,250,000**	2,400,000
Cash and cash equivalents	12	**1,741,085**	2,637,272	**1,896,830**	2,879,062
Total current assets		**9,039,452**	12,065,430	**9,111,077**	12,096,690
Total assets		**16,399,677**	17,200,428	**18,380,258**	19,030,600
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	13	**12,500,000**	12,500,000	**12,500,000**	12,500,000
Legal reserve	14	**3,196,760**	3,196,760	**3,213,283**	3,202,199
Capital reserve	15	**29,269**	29,269	**29,269**	29,269
(Accumulated losses) / retained earnings		**(694,316)**	123,948	**(641,255)**	80,850
Total equity		**15,031,713**	15,849,977	**15,101,297**	15,812,318
LIABILITIES					
Non-current liabilities					
Term loan	16	**-**	-	**1,599,992**	1,799,996
Deferred tax liability	29	**-**	-	**56,978**	-
End of service benefits	17	**162,618**	184,794	**168,559**	188,289
Total non-current liabilities		**162,618**	184,794	**1,825,529**	1,988,285
Current liabilities					
Current portion of term loan	16	**-**	-	**200,004**	200,004
Trade and other payables	18	**1,205,345**	995,368	**1,253,428**	1,029,993
Due to a related party	20	**-**	170,289	**-**	-
Total current liabilities		**1,205,345**	1,165,657	**1,453,432**	1,229,997
Total liabilities		**1,367,963**	1,350,451	**3,278,961**	3,218,282
Total equity and liabilities		**16,399,676**	17,200,428	**18,380,258**	19,030,600
Net assets per share	19	**0.120**	0.127	**0.121**	0.126

Mohammed Bin Hamad Al Masrouri
Chairman

Abdul Amir Bin Said Bin Mohammed
Director

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2014

		Parent company		Group	
		2014	2013	**2014**	2013
	Notes	**RO**	RO	**RO**	RO
Sales	21	**18,871,261**	26,102,577	**18,998,494**	26,153,667
Other operating income	22	**237,086**	170,745	**796,313**	156,043
Total operating income		**19,108,347**	26,273,322	**19,794,807**	26,309,710
Cost of goods sold	23	**(13,579,816)**	(20,499,773)	**(13,438,464)**	(19,870,186)
Staff costs	24	**(2,660,120)**	(2,141,006)	**(2,848,395)**	(2,314,823)
Other operating expenses	25	**(3,391,454)**	(3,545,172)	**(3,638,733)**	(3,709,417)
Depreciation on property, plant and equipment	6	**(480,214)**	(402,109)	**(651,125)**	(591,113)
Loss on disposal of property, plant and equipment		**-**	(46,448)	**-**	(46,448)
Operating loss		**(1,003,257)**	(361,186)	**(781,910)**	(222,277)
Investment income– net	26	**88,511**	104,869	**88,511**	104,869
Foreign exchange gains – net		**251**	3,197	**251**	3,198
Finance income	27	**113,845**	238,303	**113,845**	238,303
Finance costs	27	**(1,517)**	(34,145)	**(58,643)**	(88,069)
(Loss) / profitbefore taxation		**(802,167)**	(48,962)	**(637,946)**	36,024
Taxation	29	**(16,097)**	34,050	**(73,075)**	34,050
(Loss)/ profit and total comprehensive (loss) / income for the year		**(818,264)**	(14,912)	**(711,021)**	70,074
(Loss) / earnings per share – basic and Diluted	28	**(0.0065)**	(0.0001)	**(0.0057)**	0.0006

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2014

Parent company

	Share capital	Legal reserve	Capital Reserve	(Accumulated losses) / retained earnings	Total
	RO	RO	RO	RO	RO
At 1 April 2012	12,500,000	3,196,760	29,269	1,013,860	16,739,889
Loss and total comprehensive loss for the year	-	-	-	(14,912)	(14,912)
Dividends paid for 2012	-	-	-	(875,000)	(875,000)
At 1 April 2013	**12,500,000**	**3,196,760**	**29,269**	**123,948**	**15,849,977**
Loss and total comprehensive loss for the year	**-**	**-**	**-**	**(818,264)**	**(818,264)**
At 31 March 2014	**12,500,000**	**3,196,760**	**29,269**	**(694,316)**	**15,031,713**

Group

	Share capital	Legal reserve	Capital Reserve	(Accumulated losses) / retained earnings	Total
At 1 April 2012	12,500,000	3,195,192	29,269	892,783	16,617,244
Profit and total comprehensive income for the year	-	-	-	70,074	70,074
Dividends paid for 2012	-	-	-	(875,000)	(875,000)
Transfer to legal reserve	-	7,007	-	(7,007)	-
At 1 April 2013	**12,500,000**	**3,202,199**	**29,269**	**80,850**	**15,812,318**
Loss and total comprehensive loss for the year	**-**	**-**	**-**	**(711,021)**	**(711,021)**
Transfer to legal reserve	**-**	**11,084**	**-**	**(11,084)**	**-**
At 31 March 2014	**12,500,000**	**3,213,283**	**29,269**	**(641,255)**	**15,101,297**

The accompanying notes form an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2014

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Operating activities				
(Loss) / profit before taxation	**(802,167)**	(48,962)	**(637,946)**	36,024
Adjustment for:				
Depreciation on property, plant and equipment	**480,214**	402,109	**651,125**	591,113
Interest income	**(113,845)**	(238,303)	**(113,845)**	(238,303)
Dividend income	**(17,569)**	(59,744)	**(17,569)**	(59,744)
Gain on sale of financial assets at fair value through profit or loss	**(40,515)**	(55,887)	**(40,515)**	(55,887)
Loss on write off / disposal of property, plant and equipment	**36,814**	46,448	**36,814**	46,448
Interest expense	**1,517**	34,145	**58,643**	88,069
Fair value (gains) / losses on financial assets at fair value through profit or loss	**(30,427)**	10,762	**(30,427)**	10,762
Amortisation of premium	**1,379**	1,640	**1,379**	1,640
Allowance for end of service benefits	**27,354**	43,196	**29,958**	44,896
Operating (deficit)/ cash flows before working capital changes	**(457,245)**	135,403	**(62,383)**	465,017
Working capital changes:				
Inventories	**124,154**	(233,100)	**26,557**	(234,491)
Trade and other receivables	**193,861**	1,336,585	**165,048**	(154,751)
Trade and other payables	**39,688**	68,084	**223,435**	(68,799)
Cash generated (used in) / from operations	**(99,542)**	1,306,972	**352,657**	6,976
End of service benefits paid	**(49,530)**	(43,657)	**(49,688)**	(43,884)
Tax paid	**-**	(117,166)	**-**	(117,166)
Net cash (used in) / from operating activities	**(149,072)**	1,146,149	**302,969**	(154,074)
Investing activities				
Purchase of property, plant and equipment	**(2,890,486)**	(2,504,401)	**(3,171,442)**	(2,939,123)
Purchase of financial assets at fair value through profit or loss	**-**	(227,508)	**-**	(227,508)
Proceeds from sale of financial assets at fair value through profit or loss	**732,718**	1,227,447	**732,718**	1,227,447
Dividend received	**17,569**	59,744	**17,569**	59,744
Interest received	**113,845**	238,302	**113,845**	238,302
Fixed deposits encashed	**1,150,000**	4,100,000	**1,150,000**	4,100,000
Proceeds from held to maturity investments matured during the year	**130,756**	-	**130,756**	-
Net cash (used in) / from investing activities	**(745,598)**	2,893,584	**(1,026,554)**	2,458,862
Financing activities				
Long term loan (paid)/ received	**-**	-	**(200,004)**	2,000,000
Short term loan paid	**-**	(2,162,850)	**-**	(2,162,850)
Interest paid	**(1,517)**	(34,145)	**(58,643)**	(88,068)
Dividend paid	**-**	(875,000)	**-**	(875,000)
Net cash used in financing activities	**(1,517)**	(3,071,995)	**(258,647)**	(1,125,918)
Net change in cash and cash equivalents	**(896,187)**	967,738	**(982,232)**	1,178,869
Cash and cash equivalents at beginning of year	**2,637,272**	1,669,534	**2,879,062**	1,700,193
Cash and cash equivalents at end of year (note 12)	**1,741,085**	2,637,272	**1,896,830**	2,879,062

The accompanying notes form an integral part of these consolidated financial statements.

1. General

Oman Fisheries Co. SAOG ('the Company' or 'the Parent company') is an Omani Joint Stock Company registered under the Commercial Companies Law of Oman. The principal activities of the Company are the procurement, processing and sale of fresh, frozen and coated fish, fishing and the sale of fishing rights.

On 27 August 2005, the Company incorporated a subsidiary in UAE, Oman Fisheries Co. FZE with an initial registered share capital of RO 15,750. Oman Fisheries Co. FZE registered in United Arab Emirates as a free zone company, is a wholly owned subsidiary of the Company. The subsidiary company started its operations on 1 February 2006 and is engaged in the business of distribution of the products of the Parent company.

On 19 September 2011, the Company incorporated a subsidiary in Oman, Al Ameen Stores and Refrigeration LLC, with an initial registered share capital of RO 500,000. The Parent company holds 99% of the share capital of the subsidiary and through a director, Mr. Saleh bin Nasser bin Juma al Araimi, holds the remaining 1%. Thus, effectively Al Ameen Stores and Refrigeration LLC is a wholly owned subsidiary of the Parent company. The subsidiary is registered under the Commercial Companies Law of the Sultanate of Oman and is mainly involved in the business of storage and wholesale of fish, meat, chicken, vegetables, and fruits.

2. Basis of preparation

The Parent company's and the Group's financial statements have been prepared on the historical cost basis except for financial assets at fair value through profit or loss that have been measured at fair value and held-to-maturity financial assets that are measured to amortized cost.

Statement of compliance

These Parent company's and the Group's financial statements have been prepared in accordance with International Financial Reporting Standards and the Commercial Companies Laws of Oman 1974, as amended and comply with the disclosure requirements as set out in the Rules for disclosures and proformas issued by the Capital Market Authority of the Sultanate of Oman.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Parent company and entities controlled by the Parent company. Control is achieved where the Parent company has power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Subsidiaries are all entities (including special purpose entities) over which the Group exercises control. Control is achieved when the Parent company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect the investee's returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

Consolidation of a subsidiary begins when the Parent company obtains control over the subsidiary and ceases when the Parent company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated profit or loss from the date the Parent company gains control until the date when the Parent company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent company and to the non-controlling interests. Total comprehensive income of subsidiary is attributed to the owners of the Parent company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

In accordance with the transitional provisions of IFRS 10 Consolidated Financial Statements (2011), for first time application, the Directors reassessed the control conclusion for its subsidiary at 1 April 2013 and concluded that there is no change in control over subsidiary as per the new control model described in IFRS 10.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

Losses are attributed to the non-controlling interest even if that results in a deficit balance.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss

The consolidated financial statements incorporate the following subsidiary companies in which the Group has a controlling interest:

Company name	Country of incorporation	Year end	Percentage held		Principal activities
			2014	2013	
Oman Fisheries Co. FZE	UAE	31 March	**100%**	100%	Procurement and sale of fish and fish products
Al Ameen Stores and Refrigeration LLC	Sultanate of Oman	31 March	**100%**	100%	Storing of fish, meat, chicken, vegetables and fruits.

3. Adoption of new and revised International Financial Reporting Standards (IFRS)

For the year ended 31 March 2014, the Group has adopted all the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for the period beginning on 1 April 2013.

3.1 Standards and Interpretations adopted with no effect on the financial statements

The following new and revised Standards and Interpretations have been adopted in these consolidated financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements.

Amendments to IFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities	The amendments to IFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.
IFRS 10: Consolidated Financial Statements	IFRS 10 replaces the parts of IAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements and SIC-12 Consolidation - Special Purpose Entities.
IFRS 11: Joint arrangements	IFRS 11, replaces IAS 31 Interest in Joint Ventures and guidance contained in a related interpretation.
IFRS 12: Disclosure of Interests in Other Entities	IFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and / or unconsolidated structured entities.
IFRS 13: Fair Value Measurement	IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements.
Amendments to IAS 1 Presentation of Items of Other Comprehensive Income	The amendments introduce new terminology, whose use is not mandatory, for the statement of comprehensive income and income statement.
Annual Improvements 2009-2011 Cycle	Makes amendments to the following standards: IAS 1 - Clarification of the requirements for comparative information IAS 16 - Classification of servicing equipment IAS 32 - Clarify that tax effect of a distribution to holders of equity instruments should be accounted for in accordance with IAS 12 Income Taxes IAS 34 - Clarify interim reporting of segment information for total assets in order to enhance consistency with the requirements in IFRS 8 Operating Segments.
IFRIC 20: Stripping Costs In the Production Phase of a Surface Mine.	IFRIC 20 addresses the diversity in practice in accounting for benefits accruing to the entity from the surface mine stripping activity.
IAS 19 Employee Benefits (as revised in 2011)	IAS 19 (as revised in 2011) changes the accounting for defined benefit plans and termination benefits.

3. Adoption of new and revised International Financial Reporting Standards (IFRS) (continued)

3.2 Standards and Interpretations in issue not yet effective

At the date of authorisation of these consolidated financial statements, the following new and revised Standards and Interpretations were in issue but not yet effective:

	Effective for annual periods beginning on or after
New IFRS and relevant amendments	
IFRS 9: Financial Instruments (as revised in 2010 to include requirements for the classification and measurement of financial liabilities and incorporate existing derecognition requirements)	January 2015
Amendment to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements, to provide 'investment entities' (as defined) an exemption from the consolidation of particular subsidiaries.	January 2014
IAS 32 : Financial instruments: presentation, Offsetting Financial Assets and Financial Liabilities: to clarify certain aspects because of diversity in application of the requirements on offsetting.	January 2014
IAS 36: impairment of assets, Recoverable Amount Disclosures for Non-Financial Assets to reduce the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarify the disclosures required, and to introduce an explicit requirement to disclose the discount rate used.	January 2014
IAS 39: Financial Instruments: Recognition and Measurement, Novation of Derivatives and Continuation of Hedge Accounting to clarify that there is no need to discontinue hedge accounting if a hedging derivative is novated, provided certain criteria are met.	January 2014
New Interpretations and amendments to Interpretations:	
IFRIC 21 – Levies	January 2014

The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the consolidated financial statements of the Group's in the period of initial application. The adoption of these standards and interpretations has not resulted in changes to the Group's accounting policies and has not affected the amounts reported for the current or prior periods except for IFRS 9: Financial Instruments 9. IFRS 9 introduces new requirements for the classification and measurement of financial assets, new criteria for amortised cost measurement, a new measurement category - fair value through other comprehensive income, impairment assessment only for amortised cost assets, eliminates the category available-for-sale assets, eliminates held-to-maturity assets and tainting rules, eliminates embedded derivatives in financial assets and eliminates unquoted equity investments measured at cost less impairment. The management is currently assessing this standard which may have an impact on the consolidated financial statements of the Group as described above.

4. Summary of significant accounting policies

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. The cost of property, plant and equipment is their purchase price together with any incidental expenses that are directly attributable to the acquisition of the item. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial year in which they are incurred.

The cost of property, plant and equipment is written down to residual value in equal installments over the estimated useful lives of the assets. The estimated useful lives are:

	Years
Buildings and cabins	10 - 25
Plant and equipment	3 - 10
Boats and trawlers	5 - 15
Motor vehicles	3 - 5
Furniture, fixtures and office equipment	3 - 10

Capital work-in-progress is not depreciated until it is transferred into one of the above categories at the time when it is ready for use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Where the carrying amount of an asset is greater than its estimated recoverable amount it is written down immediately to its recoverable amount.

Gains and losses on disposals of property, plant and equipment are determined by reference to their carrying amounts, and are taken into account in determining operating profit.

Investments in subsidiaries

A subsidiary is a company in which the Parent company owns more than one half of the voting power or exercises control. In the Parent company's separate financial statements, the investment in the subsidiary is carried at cost less impairment.

Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, held-to-maturity and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management.

Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss. Financial assets at fair value through profit or loss are subsequently carried at fair value.

4. Summary of significant accounting policies (continued)

The fair values of quoted investments are based on current market bid prices. Gains or losses arising from changes in the fair value are presented in the profit or loss in the period in which they arise.

Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred subsequently all risks and rewards of ownership.

All purchases and sales of investments are recognised on the trade date, which is the date that the Group commits to purchase or sell the asset.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intent and ability to hold to maturity.

Held-to-maturity investments are initially recognised at cost and subsequently re-measured at amortised cost using the effective interest rate method less any allowance for impairment.

Interest receivable from held-to-maturity is accounted for on the accruals basis.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. The Group's loans and receivables comprise fixed deposits, due from related parties and trade and other receivables in the statement of financial position.

Trade and other receivables

Trade and other receivables are initially recognised at their fair value and subsequently stated at amortised cost using effective interest rate method, less allowance for impairment. A allowance for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of any allowance is recognised in the profit or loss within 'other operating expenses'. Subsequent recoveries of amounts previously written off are credited against 'other operating expenses' in the profit or loss.

Cash and cash equivalents

For the purpose of statement of cash flows, the Group considers all bank balances, including short term deposits with a maturity of three months or less from the date of placement, to be cash equivalents.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on the weighted average cost method. The cost of inventories comprises of direct cost of materials and related expenses. Net realisable value is the price at which inventories can be sold in the normal course of business after allowing for the costs of realisation. An allowance is made where necessary for obsolete, slow moving and defective items.

End of service benefits and leave allowance

End of service benefits are accrued in accordance with the terms of employment of the Group's employees at the reporting date, having regard to the requirements of the Oman Labour Law 2003 as amended and UAE Labour Law. Employee entitlements to annual leave and leave passage are recognised when they accrue to employees and an accrual is made for the estimated liability as a result of services rendered by employees up to the reporting date.

4. Summary of significant accounting policies (continued)

Contributions to a defined contribution retirement plan and occupational hazard insurance for Omani employees in accordance with the Omani Social Insurances Law of 1991 are recognised as an expense in the profit or loss as incurred.

Trade and other payables

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

Liabilities are recognised for amounts to be paid for goods and services received, whether or not billed to the Group.

Borrowings

Borrowings are recognised initially at fair value, 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.

Provisions

A provision is recognised when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Revenue recognition

Revenue from the sale of goods is stated at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Sales represent the invoiced value of fish supplied by the Group during the year. Sale of fishing rights is recognised on an accrual basis.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'Rial Omani', which is the Parent company's functional and the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. 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 the profit or loss.

The accounting records of the subsidiary, Oman Fisheries Co. FZE are maintained in UAE Dirhams (AED). The Rial Omani amounts included in the consolidated financial statements have been translated at an exchange rate of 0.105 Omani Rial to each AED for the profit or loss and the statement of financial position items, as the AED to RO exchange rate has effectively remained fixed during the year, both currencies being pegged to the US Dollar.

4. Summary of significant accounting policies (continued)

Finance costs and income

Finance cost comprises of interest payable on loans and finance income comprises of interest income from deposits and held-to-maturity financial assets. Finance income and cost are accounted on accrual basis using the effective interest rate method.

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are included in 'other operating expense' in the profit or loss on a straight-line basis over the period of the lease.

Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Parent company / Group by the weighted average number of ordinary shares outstanding during the period.

Directors' remuneration

The Directors' remuneration is governed as set out by the Commercial Companies Law and the rules prescribed by the Capital Market Authority. The Annual General Meeting shall approve the remuneration and the sitting fees for the Board of Directors and its sub-committees provided that such fees shall not exceed a minimum of 5% of the annual net profit after deduction of the legal reserve and the optional reserve as distribution of dividends to the shareholders. Such fees shall not exceed RO 200,000 in one year. The sitting fees for each Director shall not exceed RO 10,000 in one year.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

Taxation

Current tax is recognised in the profit or loss as the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax. Deferred income tax assets and liabilities are offset as there is a legally enforceable right to offset these in Oman.

The principal temporary differences arise from depreciation on property, plant and equipment, allowance for doubtful debts and allowance for slow moving inventories.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised and is subsequently reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, make strategic decisions and has been identified as the Board of Directors.

5. Critical accounting estimates and judgements

The preparation of the financial statements, as per IFRS, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the reporting date and the resultant provisions and changes in fair value for the year. Such estimates are necessarily based on assumptions about several factors involving varying, and possibly significant, degrees of judgment and uncertainty and actual results may differ from management's estimates resulting in future changes in estimated assets and liabilities.

Key sources of estimation uncertainty

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

Useful lives of property, plant and equipment

Depreciation is charged so as to write off the cost of assets over their estimated useful lives. The calculation of useful lives is based on management's assessment of various factors such as the operating cycles, the maintenance programs, and normal wear and tear using its best estimates.

Allowance for doubtful debts

Allowance for doubtful debts is based on management's assessment of various factors such as the Group's past experience of collecting receivables from the customers and the age of debts.

Allowance for slow moving inventories

Allowance for slow moving inventories is based on management's assessment of various factors such as the usability, maintenance programs, and normal wear and tear using best estimates.

6. Property, plant and equipment

Parent company	Land, buildings and cabins	Plant and equipment	Boats and trawlers	Motor vehicles	Furniture, fixture and office equipment	Capital work- in-progress	Total
	RO	RO	RO	RO	RO	RO	RO
Cost							
At 1 April 2012	1,717,876	2,150,567	416,408	383,554	331,749	30,786	5,030,940
Additions	235,639	527,025	596,181	108,925	45,956	990,675	2,504,401
Written-off	(1,994)	(145,700)	(61,194)	(5,450)	(42,025)	-	(256,363)
At 1 April 2013	**1,951,521**	**2,531,892**	**951,395**	**487,029**	**335,680**	**1,021,461**	**7,278,978**
Additions	**130,839**	**72,816**	**75,068**	**340,746**	**50,667**	**2,220,350**	**2,890,486**
Transfers	**49,000**	**42,466**	**131,718**	**-**	**93,167**	**(316,351)**	**-**
Written-off	**-**	**-**	**(40,901)**	**(41,528)**	**-**	**-**	**(82,429)**
At 31 March 2014	**2,131,360**	**2,647,174**	**1,117,280**	**786,247**	**479,514**	**2,925,460**	**10,087,035**

6. Property, plant and equipment (continued)

Parent company	Land, buildings and cabins	Plant and equipment	Boats and trawlers	Motor vehicles	Furniture, fixture and office equipment	Capital work- in-progress	Total
	RO	RO	RO	RO	RO	RO	RO
Depreciation							
At 1 April 2012	1,353,741	1,750,521	49,391	204,310	239,181	-	3,597,144
Charge for the year	82,429	156,292	67,986	58,499	36,903	-	402,109
Write-off	(1,989)	(143,931)	(16,833)	(5,449)	(41,713)	-	(209,915)
At 1 April 2013	**1,434,181**	**1,762,882**	**100,544**	**257,360**	**234,371**	**-**	**3,789,338**
Charge for the year	**75,758**	**157,084**	**120,275**	**81,436**	**45,660**	**-**	**480,214**
Written off	**-**	**-**	**(4,090)**	**(41,525)**	**-**	**-**	**(45,615)**
At 31 March 2014	**1,509,939**	**1,919,966**	**216,729**	**297,271**	**280,031**	**-**	**4,223,936**
Carrying value							
At 31 March 2014	**621,421**	**727,208**	**900,551**	**488,976**	**199,483**	**2,925,460**	**5,863,099**
At 31 March 2013	517,340	769,010	850,851	229,669	101,309	1,021,461	3,489,640

Included above at a carrying value of RO 26,588 (2013 - RO 12,514) are buildings and cabins constructed on leasehold land. The lease agreement will expire on 31 December 2014 and is renewable annually. The annual rental of this land is RO 11,007 (2013 - RO 10,288).

The Company has written off damaged assets which are no longer usable and no future economic benefit is expected to be derived from these assets.

Group	Land, buildings and cabins	Plant and equipment	Boats and trawlers	Motor vehicles	Furniture, fixture and office equipment	Capital work- in-progress	Total
	RO	RO	RO	RO	RO	RO	RO
Cost							
At 1 April 2012	1,717,876	2,150,567	416,408	383,554	332,016	2,099,730	7,100,151
Additions	310,295	779,645	596,181	194,425	59,202	999,375	2,939,123
Disposals	1,293,318	775,626	-	-	-	(2,068,944)	-
Transfers	(1,994)	(145,700)	(61,194)	(5,450)	(42,025)	-	(256,363)
At 1 April 2013	**3,319,495**	**3,560,138**	**951,395**	**572,529**	**349,193**	**1,030,161**	**9,782,911**
Additions	**166,998**	**172,873**	**75,068**	**468,897**	**64,206**	**2,223,400**	**3,171,442**
Transfers	**49,000**	**51,166**	**131,718**	**-**	**93,167**	**(325,051)**	**-**
Written-off	**-**	**-**	**(40,901)**	**(41,528)**	**-**	**-**	**(82,429)**
At 31 March 2014	**3,535,493**	**3,784,177**	**1,117,280**	**999,898**	**506,566**	**2,928,510**	**12,871,924**

6. Property, plant and equipment (continued)

Group	Land, buildings and cabins	Plant and equipment	Boats and trawlers	Motor vehicles	Furniture, fixture and office equipment	Capital work- in-progress	Total
	RO	RO	RO	RO	RO	RO	RO
Depreciation							
At 1 April 2012	1,353,741	1,750,521	49,391	204,310	239,448	-	3,597,411
Charge for the year	157,290	262,466	67,986	64,215	39,156	-	591,113
Written off	(1,989)	(143,931)	(16,833)	(5,449)	(41,713)	-	(209,915)
At 1 April 2013	**1,509,042**	**1,869,056**	**100,544**	**263,076**	**236,891**	**-**	**3,978,609**
Charge for the year	**144,126**	**236,222**	**120,275**	**101,072**	**49,430**	**-**	**651,125**
Written off	**-**	**-**	**(4,090)**	**(41,525)**	**-**	**-**	**(45,615)**
At 31 March 2014	**1,653,168**	**2,105,278**	**216,729**	**322,623**	**286,321**	**-**	**4,584,119**
Carrying value							
At 31 March 2014	**1,882,325**	**1,678,899**	**900,551**	**677,275**	**220,245**	**2,928,510**	**8,287,805**
At 31 March 2013	1,810,454	1,691,082	850,851	309,453	112,302	1,030,161	5,804,302

Included above at a carrying value of RO 26,588 (2013 - RO 12,514) are buildings and cabins constructed on leasehold land. The lease agreement will expire on 31 December 2013 and is renewable annually. The annual rental of this land is RO 11,007 (2013 - RO 10,288).

The Company has written off damaged assets which are no longer usable and no future economic benefit is expected from these assets.

During the year the Parent company and one of its subsidiaries has carried out an exercise to reassess the useful life of property, plant and equipment and determined the useful life of certain assets to have changed. The change has been accounted for as a change in accounting estimate in accordance with the requirement of IAS 8 'Accounting Policies, Change in Accounting Estimates and Errors' whereby the effect of these changes are recognized prospectively.

Had the Company and the subsidiary not made the above referred change in accounting estimate, loss before tax would have been higher by RO 41,844 and RO 93,446 in the Parent Company's and consolidated financial statements respectively.

Breakup of capital work in progress is as follows:

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Civil works	**1,234,828**	80,220	**1,234,828**	80,220
Plant and machinery	**1,477,898**	344,780	**1,477,898**	344,780
Advance paid for purchases	**212,734**	509,075	**215,784**	517,775
Software development	**-**	87,386	**-**	87,386
	2,925,460	1,021,461	**2,928,510**	1,030,161

Plant and machinery has been acquired for the new plant to be set up in Salalah. Advance paid for purchases includes advance given for various assets including fishing boats.

7. Investment in subsidiaries

The movement in investment in subsidiaries is as follows:

	Parent company	
	2014	2013
	RO	RO
At 1 April	**515,750**	515,750
Investment during the year	**-**	-
At 31 March	**515,750**	515,750

Details regarding the Parent company's subsidiaries are set out below:

Company name	Country of incorporation	Year end	Percentage held		Principal activities
			2014	**2013**	
Oman Fisheries Co. FZE	UAE	31 March	**100%**	100%	Procurement and sale of fish and fish products
Al Ameen Stores and Refrigeration LLC	Sultanate of Oman	31 March	**100%**	100%	Storing of fish, meat, chicken, vegetables and fruits.

8. Held-to-maturity financial assets

	Parent and Group company	
	2014	2013
	RO	RO
At 1 April	**969,397**	1,101,793
Premium amortised during the year	**(1,379)**	(1,640)
At 31 March	**968,018**	1,100,153

Held-to-maturity financial assets consists of bonds issued by a commercial bank of RO 968,018 (2013 - RO 969,397) which earn interest at the rate of 8% (2013 – 8%) per annum with maturity on 7 May 2016. Bonds of RO 130,756 issued by a commercial bank matured during the year and were redeemed by the issuer.

9. Inventories

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Fish	**2,123,739**	2,383,445	**2,123,739**	2,383,445
Packing materials	**506,366**	405,914	**605,355**	407,306
Maintenance spares	**96,995**	65,866	**96,995**	65,866
Others	**18,272**	14,301	**18,272**	14,301
	2,745,372	2,869,526	**2,844,361**	2,870,918
Less: allowance for slow moving and obsolete maintenance spares	**(20,000)**	(20,000)	**(20,000)**	(20,000)
	2,725,372	2,849,526	**2,824,361**	2,850,918

During the year, inventories amounting to RO Nil (2013 - RO 24,218) were directly written off against cost of goods sold due to obsolescence.

10. Trade and other receivables

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Trade receivables	**2,053,479**	1,810,029	**2,128,518**	1,843,208
Less: allowance for doubtful debts	**-**	-	**-**	-
	2,053,479	1,810,029	**2,128,518**	1,843,208
Due from related parties (note 20)	**338,436**	266,489	**-**	-
Accrued income	**65,922**	414,206	**65,922**	414,206
Advances to suppliers	**244,950**	405,736	**305,306**	405,736
Prepayments	**245,219**	195,766	**264,656**	214,790
Other receivables	**85,469**	135,110	**85,964**	137,474
	3,033,475	3,227,336	**2,850,366**	3,015,414

At the reporting date 49% of trade receivables are receivable from two parties outside the Sultanate of Oman and three parties in the Sultanate of Oman (2013 - 53% from two parties outside the Sultanate of Oman and one party in the Sultanate of Oman).

Details of gross exposure of trade receivables are set out below:

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Not due	**1,734,098**	1,503,251	**1,808,602**	1,518,795
Past due but not impaired	**319,381**	306,778	**319,916**	324,413
Past due and impaired	**-**	-	**-**	-
	2,053,479	1,810,029	**2,128,518**	1,843,208

As of 31 March 2014, past due but not impaired related to a number of independent customers for whom there is no recent history of default. The ageing analysis of these past due trade receivables is as follows:

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Due from 2 to 6 months	**203,032**	162,673	**203,567**	170,614
Due above 6 months	**116,349**	144,105	**116,349**	153,799
	319,381	306,778	**319,916**	324,413

10. Trade and other receivables (continued)

The net carrying amounts of the Group's trade receivables are denominated in the following currencies:

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
USD	**1,157,971**	1,297,996	**1,157,971**	1,297,996
Rial Omani	**895,508**	512,033	**956,936**	513,886
UAE Dirhams	**-**	-	**13,611**	31,326
	2,053,479	1,810,029	**2,128,518**	1,843,208

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group does not hold any collateral as security.

11. Financial assets at fair value through profit or loss

The movement in financial assets at fair value through profit or loss is as follows:

	Parent company and Group	
	2014	2013
	RO	RO
At 1 April	**951,296**	1,906,109
Purchased during the year	**-**	227,508
Sold during the year	**(692,203)**	(1,171,559)
Fair value gain / (loss)	**30,427**	(10,762)
	289,520	951,296

Investments at fair value through profit or loss can be analysed based on sectors as follows:

	Parent company and Group			
	2014		2013	
	Cost	**Fair value**	Cost	Fair value
	RO	**RO**	RO	RO
Banking	**46,314**	**49,077**	353,199	333,854
Services	**168,341**	**188,909**	427,201	400,774
Industrial	**44,313**	**51,408**	126,212	154,462
Investment	**126**	**126**	55,446	62,206
	259,094	**289,520**	962,058	951,296

Details of investments held by the Parent company and Group which exceed 10% of the market value of the Group's total investment portfolio, are as follows:

11. Financial assets at fair value through profit or loss (continued)

2014	% of investment portfolio	Number of shares	Market value	Cost
			RO	RO
Bank Muscat SAOG	**14.9**	**67,932**	**43,205**	**41,778**
Oman Telecommunication Co. SAOG	**15.5**	**30,000**	**45,000**	**42,390**
SMN Power Holding Co. SAOG	**10.9**	**5,811**	**31,670**	**31,385**
Omani Qatari Telecommunication Co. SAOG	**46.23**	**221,700**	**133,907**	**115,949**
2013				
Bank Muscat SAOG	12.68	196,085	120,592	120,592
Omani Qatari Telecommunication Co. SAOG	21.18	385,222	201,471	230,091

12. Cash and bank

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Cash in hand	**239,564**	110,065	**239,564**	110,065
Cash at bank	**1,501,521**	2,527,207	**1,657,266**	2,768,997
Deposits	**1,250,000**	2,400,000	**1,250,000**	2,400,000
	2,991,085	5,037,272	**3,146,830**	5,279,062
Less: deposits with maturities of more than 90 days	**(1,250,000)**	(2,400,000)	**(1,250,000)**	(2,400,000)
Cash and cash equivalents	**1,741,085**	2,637,272	**1,896,830**	2,879,062

Deposits are denominated in Rial Omani and are placed with the commercial banks at an interest rate of 2.15% per annum (2013 - 1.25% to 4.75%) and have maturities of one year from the date of placement.

13. Share capital

The authorised and issued share capital comprises of 125,000,000 (2013 - 125,000,000) fully paid ordinary shares of RO 0.100 each (2013 - RO 0.100 each).

Shareholders of the Company who own 10% or more of the Company's shares and the number of shares they hold are as follows:

	2014		2013	
	Number of shares	**% holding**	Number of shares	% holding
Government of the Sultanate of Oman	**30,000,000**	**24**	30,000,000	24

14. Legal reserve

In accordance with the Commercial Companies Law of Oman 1974, as amended, annual appropriations of 10% of the profit for the year are made to this reserve until the accumulated balance amounts to at least one third of the value of paid-up share capital of the Parent company and the subsidiary based in Oman. This reserve is not available for distribution. No appropriation was made for the Parent company during the year because of the loss incurred.

15. Capital reserve

Capital reserve represents the excess of share issue fees received, after deducting expenses incurred up to 31 March 1990. This reserve is not available for distribution.

16. Term loan

A subsidiary company has obtained a loan from a local commercial bank repayable in 10 years with first monthly instalment due in April 2013. The facility is secured against the corporate guarantee given by the Parent company and carries mark-up at 2.9% in the first year and 3% thereafter on the outstanding balance of loan.

	Group	
	2014	2013
	RO	RO
Term loan	**1,799,996**	2,000,000
Current portion	**(200,004)**	(200,004)
Non-current portion	**1,599,992**	1,799,996

The loan is repayable as follows:

Within one year	**200,004**	200,004
In the second year	**200,004**	200,004
In the third to fifth year	**600,012**	600,012
After five years	**799,976**	999,980
	1,799,996	2,000,000

17. End of service benefits

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
At 1 April	**184,794**	185,255	**188,289**	187,277
Charge for the year	**27,354**	43,196	**29,958**	44,896
Paid during the year	**(49,530)**	(43,657)	**(49,688)**	(43,884)
At 31 March	**162,618**	184,794	**168,559**	188,289

18. Trade and other payables

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Trade payables	**458,303**	548,046	**467,226**	558,177
Accrued expenses	**664,417**	415,232	**703,577**	439,726
Advances from customers	**82,625**	32,090	**82,625**	32,090
	1,205,345	995,368	**1,253,428**	1,029,993

19. Net assets per share

Net asset per share is calculated by dividing the net assets attributable to shareholders of the Parent company by the number of shares outstanding at the reporting date:

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Net assets (RO)	**15,031,713**	15,849,977	**15,101,297**	15,812,318
Number of shares at 31 March	**125,000,000**	125,000,000	**125,000,000**	125,000,000
Net assets per share (RO)	**0.120**	0.127	**0.121**	0.126

20. Related parties

The Group and the Parent company enter into transactions with shareholders with significant influence, other shareholders and with entities over which Directors have an interest (other related parties). The Parent company in addition transacts with subsidiaries in the ordinary course of business, the Group and Parent company sell goods and procure goods and services from these related parties.

a) Year end balances arising from sales and purchases of goods and services are as follows:

Due from related parties

	Parent company	
	2014	2013
	RO	RO
Al Amin Cold Stores LLC	**215,878**	-
Oman Fisheries FZE - Sharjah	**122,558**	266,489
	338,436	266,489

Amounts due from related parties do not carry interest and have no fixed repayment schedule but management has estimated the receipts expected within the next twelve months and classified them as a current receivable.

20. Related parties (continued)

No impairment is required in 2013 and 2012 in respect of amounts due from subsidiaries.

Due to a related party

	Parent company	
	2014	2013
	RO	RO
Due to Al Ameen Stores and Refrigeration LLC	**-**	170,289

b) Transactions with related parties during the year were as follows:

	Parent company	
	2014	2013
	RO	RO
Sales of goods	**104,987**	120,998
Hire charges of cold store	**596,829**	629,509
Consultancy charges	**20,640**	20,640

c) Key management compensation

	Parent company and Group	
	2014	2013
	RO	RO
Sitting fees for directors	**24,350**	27,250
Directors' remuneration	**25,650**	22,750
	50,000	50,000
Salaries and allowances	**109,863**	111,689
Other benefits and expenses	**21,805**	22,157
End of service benefits	**2,463**	2,249
	134,131	136,095

21. Sales

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Export sales	**13,701,073**	21,749,769	**13,828,306**	21,800,859
Local sales	**5,170,188**	4,352,808	**5,170,188**	4,352,808
	18,871,261	26,102,577	**18,998,494**	26,153,667

22. Other operating income

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Income from stores	**-**	-	**200,180**	-
Trading income	**-**	-	**358,123**	-
Income from sale of ice	**83,760**	97,877	**83,760**	97,877
Income from fish filleting activity	**21,713**	28,362	**21,713**	28,362
Others	**131,613**	44,506	**132,537**	29,804
	237,086	170,745	**796,313**	156,043

23. Cost of goods sold

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Opening stock of fish	**2,383,445**	2,314,642	**2,383,445**	2,314,642
Purchases	**11,124,507**	17,972,629	**11,228,755**	17,974,018
Processing charges	**951,087**	1,145,391	**951,087**	1,145,391
Packing material consumed	**551,853**	746,562	**551,853**	746,562
Trading cost	**-**	-	**351,229**	-
Hire charges of cold store	**692,663**	703,994	**95,834**	74,408
Closing stock of fish	**(2,123,739)**	(2,383,445)	**(2,123,739)**	(2,384,835)
	13,579,816	20,499,773	**13,438,464**	19,870,186

24. Staff costs

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Salaries, wages and bonus	**2,115,773**	1,651,169	**2,278,008**	1,799,908
Air passage and leave salary	**181,891**	148,149	**199,186**	160,276
Housing expenses	**58,667**	52,580	**60,356**	61,232
Staff insurance	**80,193**	64,207	**80,193**	64,207
Social security costs	**48,261**	35,477	**51,696**	37,469
End of service benefits	**27,354**	43,196	**29,958**	44,896
Others	**147,981**	146,228	**148,998**	146,835
	2,660,120	2,141,006	**2,848,395**	2,314,823

25. Other operating expenses

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Freight	**1,391,935**	1,727,656	**1,391,935**	1,727,656
Repairs and maintenance	**339,350**	425,462	**385,603**	460,355
Vehicle expenses	**561,270**	407,406	**612,217**	413,107
Electricity, water and fuel	**242,780**	228,127	**301,370**	291,732
Export related expenses	**47,976**	100,736	**47,976**	100,736
Sundry expenses	**146,305**	101,330	**152,091**	104,347
Ice charges	**122,594**	127,864	**122,594**	127,864
Advertisement and sales promotion expenses	**89,798**	65,285	**99,285**	74,242
Professional fees	**63,372**	48,606	**98,296**	53,901
Insurance costs	**97,480**	84,160	**116,979**	96,543
Agency fee	**73,927**	23,705	**73,927**	23,705
Rent	**31,791**	24,041	**49,336**	43,053
Communication expenses	**46,993**	43,842	**49,984**	45,342
Traveling and entertainment	**56,061**	46,761	**56,061**	46,911
Directors' remuneration (Note 20)	**25,650**	22,750	**25,650**	22,750
Printing and stationery	**17,740**	28,910	**18,842**	33,508
Directors' sitting fees (Note 20)	**24,350**	27,250	**24,350**	27,250
Bank charges	**12,082**	11,281	**12,238**	16,415
Allowance for doubtful debts	**-**	-		-
	3,391,454	3,545,172	**3,638,733**	3,709,417

26. Investment income - net

	Parent company and Group	
	2014	2013
	RO	RO
Dividend income	**17,569**	59,744
Gain on sale of financial assets at fair value through profit or loss	**40,515**	55,887
Fair value gain / (loss) on financial assets at fair value through profit or loss – net	**30,427**	(10,762)
	88,511	104,869

27. Finance income / cost

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Finance income				
Interest income on deposits	**36,081**	153,564	**36,081**	153,564
Interest income on held to maturity financial assets	**77,764**	84,739	**77,764**	84,739
	113,845	238,303	**113,845**	238,303
Finance cost				
Interest paid on bank loan	**-**	-	**(57,126)**	(53,924)
Interest expense on short term loan and overdraft	**(1,517)**	(34,145)	**(1,517)**	(34,145)
	(1,517)	(34,145)	**(58,643)**	(88,069)

28. (Loss) / earnings per share – basic and diluted

The (loss) / earnings per share have been derived by dividing the net (loss) / profit for the year attributable to shareholders of the Parent company by the weighted average number of shares outstanding. As there are no dilutive potential shares, the diluted earnings per share are identical to the basic earnings per share.

	Parent company		Group	
	2014	2013	**2014**	2013
(Loss) / profit attributable to shareholders (RO)	**(818,264)**	(14,912)	**(711,021)**	70,074
Weighted average number of shares outstanding	**125,000,000**	125,000,000	**125,000,000**	125,000,000
(Loss) / earnings per share (RO)	**(0.0065)**	(0.0001)	**(0.0057)**	0.0006

29. Taxation

Deferred income tax is calculated on all temporary differences under the liability method using a principal tax rate of 12% (2013 - 12%). The net deferred tax asset in the statement of financial position and deferred tax (charge)/credit in the profit or loss is attributable to the following items:

Parent company and Group	1 April 2013	Credited / (charged) to profit or loss	31 March 2014
	RO	RO	RO
Deferred tax asset			
Allowance for obsolete inventory	2,400	-	2,400
Depreciation	8,494	(16,097)	(7,603)
Unused tax losses	18,561		18,561
	29,455	(16,097)	13,358
Deferred tax liability			
Depreciation	-	(56,978)	(56,978)
	-	(56,978)	(56,978)

29. Taxation (continued)

Parent company and Group	1 April 2012	Credited / (charged) to profit or loss	31 March 2013
	RO	RO	RO
Deferred tax asset			
Allowances	5,729	(3,329)	2,400
Accelerated depreciation	34	8,460	8,494
Unused tax losses	-	18,561	18,561
Net deferred tax asset	5,763	23,692	29,455

The tax (credit) / charge for the year is as follows:

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Current tax				
In respect of current year	**-**	-	**-**	-
In respect of prior years	**-**	(10,358)	**-**	(10,358)
	-	(10,358)	**-**	(10,358)
Deferred tax	**16,097**	(23,692)	**73,075**	(23,692)
	16,097	(34,050)	**73,075**	(34,050)

The Parent company's tax assessments for the years ended 31 March 2009 to 2013 are yet to be agreed with the Oman Taxation Authorities. The Board of Directors is of the opinion that any additional taxes that may be assessed would not be significant to the financial position of the Parent company at 31 March 2014.

Oman Fisheries FZE is registered in Free Zone Establishment with limited liability at Sharjah Airport International Free Zone (SAIF Zone) in the Emirates of Sharjah and is not subject to taxation in the UAE.

Al Ameen Stores and Refrigeration LLC, a subsidiary established during the prior year, the tax assessment for the period ended 31 March 2013 has not yet been agreed with Oman Taxation Authorities.

30. Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks including market risk (foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Risk management is carried out by the management under policies approved by the Board of Directors.

Market risk

Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group is exposed to foreign currency risk arising from currency exposures with respect to US Dollar, UAE Dirham, Saudi Riyal and Euro. In respect of the Group's transactions denominated in US Dollar, Saudi Riyal and UAE Dirham, the Group is not exposed to currency risk as the Rial Omani, Saudi Riyal and UAE Dirham are pegged to the US Dollar.

30. Financial risk management (continued)

At 31 March 2014, if the Rial Omani had weakened/strengthened by 5% against the Euro with all other variables held constant, pre-tax profit for the year of the Group and the Parent company would have been RO 251 (2013 - RO 1,021) higher/lower primarily as a result of monetary assets.

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether these changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities in the market.

The Group is exposed to equity price risk because of investment in certain publicly listed companies at the Muscat Securities Market (MSM) which have been classified as financial assets at fair value through profit or loss. The Group limits market risk by maintaining a selective and strategic portfolio and by regular monitoring of the market. In addition the Group monitors actively the key factors that effect stock market movements.

The table below summarises the impact of the MSM Index on gains / losses on equity securities on the assumption that the equity index had increased / decreased by 5% with all other variables held constant :

Index	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
MSM	**14,476**	47,565	**14,476**	47,565

Interest rate risk

Interest rate risk arises from the possibility of changes in interest rates and mismatches or gaps in the amount of assets and liabilities that mature or re-price in a given period. The Group is exposed to fair value interest rate risk on its held-to-maturity financial assets, fixed deposits placed with the commercial banks and short term loan from a commercial bank as these carry fixed interest rates.

Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's policy is to maintain almost all of its borrowings in fixed rate instruments. During 2014 and 2013, the Group's borrowings were denominated in Rial Omani currency. The Group analyses its interest rate exposure on a regular basis and reassesses the source of borrowings and renegotiates interest rates at terms favorable to the Group.

At 31 March 2014, if the interest rate were to shift by 0.5% on fixed deposits and held-to-maturity investments, there would be a maximum increase or decrease in the interest income by RO 10,596 (2013 - RO 10,018).

At 31 March 2014, if the interest rate were to shift by 0.5% on short term loan, there would be a maximum increase or decrease in the interest expense of nil (2013 - 2,658).

Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk arises from fixed deposits, cash and cash equivalents, held-to-maturity investments and credit exposures to customers including outstanding amounts due from related parties and committed transactions.

The carrying amount of financial assets represents the maximum credit exposure. The exposure to credit risk at the reporting date was on account of:

30. Financial risk management (continued)

Exposure to credit risk

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Held-to-maturity financial assets	**968,018**	1,100,153	**968,018**	1,100,153
Trade receivables	**2,053,479**	1,810,029	**2,128,518**	1,843,208
Due from a related party	**338,436**	266,489	**-**	-
Accrued income	**65,922**	414,206	**65,922**	414,206
Other receivables	**85,469**	135,110	**85,964**	137,474
Fixed deposits	**1,250,000**	2,400,000	**1,250,000**	2,400,000
Cash at bank	**1,501,521**	2,527,207	**1,657,266**	2,768,997
	6,262,845	9,604,490	**6,155,688**	9,615,334

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's large customer base, including the default risk of the industry in the country of operation where customers operate, has an influence on credit risk. Exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit. All export customers' risks are either covered by letters of credits, insurance or by way of a bank guarantees.

The Group has significant concentrations of credit risk, details of which are provided in note 10. The Group manages concentration of its credit risk by monitoring collections within the credit period.

The maximum exposure to credit risk for trade receivables at the reporting date for the Parent company and Group by geographical region is as follows:

	Parent		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Local customers	**895,508**	512,033	**956,936**	545,212
Foreign customers	**1,157,971**	1,297,996	**1,171,582**	1,297,996
	2,053,479	1,810,029	**2,128,518**	1,843,208

The Group categorises its customers as hypermarkets, private entities and other retail customers. The maximum exposure to credit risk for trade receivables at the reporting date for the Group and Parent company by type of customer is as follows:

	Parent		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Hypermarkets	**70,991**	104,578	**72,095**	106,977
Private entities	**1,744,142**	1,343,145	**1,752,789**	1,357,009
Other retail customers	**238,346**	362,306	**303,634**	379,222
	2,053,479	1,810,029	**2,128,518**	1,843,208

30. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group'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 damages to the Group's reputation.

In accordance with prudent risk management, the Board of Directors aim to maintain sufficient cash and an adequate amount of committed credit facilities.

Parent company

31 March 2014	Carrying amount RO	Less than one year RO	1 to 2 Years RO	More than 2 years RO
Trade payables	**458,303**	**458,303**	**-**	**-**
31 March 2013				
Trade payables	548,046	548,046	-	-
Due to a related party	170,289	170,289		
	718,335	718,335	-	-

Group

31 March 2014				
Trade payables	**467,226**	**467,226**	**-**	**-**
Term loan	**1,799,996**	**200,004**	**200,004**	**1,399,988**
	2,267,222	**667,230**	**200,004**	**1,399,988**
31 March 2013				
Trade payables	558,177	558,177	-	-
Term loan	2,000,000	200,004	200,004	1,599,992
	2,558,177	758,181	200,004	1,599,992

Fair value estimation

All the financial assets and liabilities of the Group except for the financial assets at fair value through profit or loss are carried at amortised cost. Financial assets at fair value through profit or loss, where quoted market prices are available, are included in Level-1.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets.

Level 2 - Inputs for the assets that are not based on observable market data (that is, unobservable inputs).

The face value less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate to their fair values. The fair values of fixed deposits and short term loan are considered to approximate to their carrying amounts as these carry interest rates which are believed to be the commercial interest rates.

30. Financial risk management (continued)

The table below summarises the carrying amounts and their fair values of the financial assets not presented in the statement of financial position at their fair value.

	Parent company and Group			
	Carrying value		Fair value	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Held-to-maturity financial assets	**968,018**	1,100,153	**1,158,175**	1,256,925

Credit quality of financial assets

As per the credit policy of the Group, customers are extended a credit period of up to 45 days in the normal course of business. However, in some cases, due to the market conditions and historical business relationship with the customer the credit period may be extended by a further period of 15 days. The credit quality of financial assets is determined by the customers history of meeting commitments, market intelligence related information and management's trade experience.

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Trade receivables				
Counterparties without external credit rating:				
Up to 2 months	**203,032**	108,538	**203,567**	117,921
Due above 2 months	**116,349**	198,240	**116,349**	206,491
	319,381	306,778	**319,916**	324,412

Cash at bank and fixed deposits

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
P-1	**737,958**	1,479,823	**828,595**	1,479,823
P-2	**1,614,333**	729,315	**1,679,441**	729,315
Not rated	**399,230**	2,718,070	**399,230**	2,959,859
	2,751,521	4,927,208	**2,907,266**	5,168,997

31. Segment information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board considers the business from a group level as the group is principally engaged in one segment which is fishing, procurement, processing and sale of fish. The Board also considers the geographical segments. The directors review monthly analysis of these geographical segments by monitoring volume and value and the related debtors. As the directors effectively look at only one group level segment, all relevant details are as set out in the profit or loss and statement of financial position. The geographical distribution of revenue and receivables, based on the reports reviewed by the directors are set out as follows:

31. Segment information (continued)

Geographical segments

The geographical analysis relating to the primary segment based on the location of the Group's customers is as follows:

Sales	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Far East	**7,935,264**	13,714,594	**7,935,264**	13,714,594
GCC and Middle East	**5,774,083**	5,874,684	**5,901,316**	5,925,774
Africa and others	**4,500,894**	6,020,757	**4,500,894**	6,020,757
Europe	**661,020**	492,542	**661,020**	492,542
	18,871,261	26,102,577	**18,998,494**	26,153,667

Geographical segments

Trade receivables	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Far East	**752,045**	922,142	**752,045**	922,142
GCC and Middle East	**909,893**	662,542	**984,932**	695,721
Africa and others	**285,866**	181,137	**285,866**	181,137
Europe	**105,675**	44,208	**105,675**	44,208
	2,053,479	1,810,029	**2,128,518**	1,843,208

32. Capital risk management

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

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

33. Contingent liabilities

At 31 March 2014, the Parent company and Group had contingent liabilities in respect of bank guarantees amounting to RO 6,000 (2013 - RO 5,000) given in the normal course of business against which no material liabilities are expected to arise. The Parent company has also given a corporate guarantee of RO 2,000,000 (2013 - 2,000,000) to local commercial bank against the loan obtained by Al Ameen Stores and Refrigeration LLC.

34. Commitments

	Parent company		Group	
	2014	2013	**2014**	2013
	RO	RO	**RO**	RO
Capital commitments	**862,567**	355,056	**945,187**	358,909
Purchase commitments	**45,115**	56,860	**45,115**	56,860

35. Approval of consolidated financial statements

The consolidated financial statements were approved by the Board of Directors and authorized for issue on 26 May 2014.