

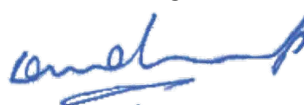
CAMBRIDGE BIZSERVE INC.
2F and 3F Floor, Filipino Gentiles, Juan Dela Cruz St. Toril, Davao City

STATEMENT OF FINANCIAL POSITION
As of March 31, 2021 and 2020
(Amounts rounded off to the nearest Philippine Peso)

	Note	2021	2020
I. ASSETS			
Current assets			
(i) Cash	5	175,316	215,417
(ii) Trade and other receivables	6	191,520	310,087
Total current assets		366,836	525,504
Non-current assets			
(i) Property, plant and equipment	7	61,552	99,669
(ii) Deferred tax asset (net)	13	3,318,015	3,318,015
(iii) Other Assets	8	353,035	225,695
Total Non-current assets		3,732,602	3,643,379
TOTAL ASSETS		4,099,438	4,168,883
II. LIABILITIES AND EQUITY			
Current liabilities			
(i) Trade and other payables	9	758,752	618,214
		758,752	618,214
Non-current liabilities			
(i) Due to related parties	10	29,274,362	23,662,066
(ii) Other loans payable	10	-	-
		29,274,362	23,662,066
TOTAL LIABILITIES		30,033,114	24,280,280
EQUITY			
(a) Share capital	11	50,000	50,000
(b) Deficit		(25,983,675)	(20,161,397)
Total Equity		(25,933,675)	(20,111,397)
TOTAL LIABILITIES AND EQUITY		4,099,438	4,168,883

See accompanying Notes to the Financial Statements.

For Cambridge Bizserve Inc.



D.R.R Swaroop
Authorised Signatory

Place: Hyderabad
Date: 30.04.2021

CAMBRIDGE BIZSERVE INC.
2F and 3F Floor, Filipino Gentiles, Juan Dela Cruz St. Toril, Davao City

STATEMENT OF COMPREHENSIVE INCOME
As of March 31, 2021 and 2020
(Amounts rounded off to the nearest Philippine Peso)

	Note	2021	2020
REVENUES	14	1,649,171	979,373
COST OF SERVICES	15	5,419,182	6,079,167
GROSS PROFIT		<u>-3,770,011</u>	<u>-5,099,794</u>
OPERATING EXPENSES	16	2,052,273	2,839,611
INCOME FROM OPERATIONS		-5,822,284	-7,939,405
OTHER INCOME	17	7	4
INCOME/(LOSS) BEFORE INCOME TAX		<u>-5,822,278</u>	<u>-7,939,401</u>
BENEFIT FROM DEFERRED INCOME TAX		-	-
NET PROFIT/(LOSS)		<u>-5,822,278</u>	<u>-7,939,401</u>

See accompanying Notes to the Financial Statements.

For Cambridge Bizserve Inc.



D.R.R Swaroop
Authorised Signatory

Place: Hyderabad
Date: 30.04.2021

CAMBRIDGE BIZSERVE INC.


2F and 3F Floor, Filipino Gentiles, Juan Dela Cruz St. Toril, Davao City

STATEMENT OF CHANGES IN OWNERS' EQUITY

For the period ended March 31, 2021 and 2020

	Notes	2021	2020
CAPITAL			
Balance Beginning		50,000	50,000
Add: Additional paid-in		-	-
Balance ending		50,000	50,000
NET INCOME/ (LOSS)			
Balance Beginning		(20,161,398)	(12,221,998)
Add/Deduct : Adjustment		-	-
Total		(20,161,398)	(12,221,998)
Add Net Income		(5,822,278)	(7,939,400)
Balance ending		(25,983,676)	(20,161,398)
TOTAL OWNERS' EQUITY		(25,933,676)	(20,111,398)

For Cambridge Bizserve Inc.

**D.R.R Swaroop**
Authorised Signatory

Place: Hyderabad

Date: 30.04.2021

CAMBRIDGE BIZSERVE INC.

2F and 3F Floor, Filipino Gentiles, Juan Dela Cruz St. Toril, Davao City

CASH FLOW STATEMENT

For the period ended March 31, 2021 and 2020

	2021	2020
Cash flows from operating activities		
Net Income (Loss)	(5,822,278)	(7,939,401)
Adjustments to reconcile net Income to net		
Cash Provided by Operating Activities		
Depreciation	95,716	859,467
Rounding off	-	-
Changes in Assets and Liabilities	(5,726,562)	(7,079,934)
(Increase) / Decrease in Accounts receivables	118,567	15,545
(Increase) / Decrease in other current assets	(127,340)	17,250
(Increase) / Decrease in Prepayment	-	-
Increase / (Decrease) in Inventory	-	-
Increase / (Decrease) in Trade payable	140,538	(179,219)
Increase / (Decrease) in Other financial liabilities	-	(93,707)
Increase / (Decrease) in Other current liabilities	-	(594,415)
	(5,594,797)	(7,914,479)
Cash flows from investing activities		
Increase/Decrease in Property, Plant and Equipment	(57,599)	(151,600)
Increase/Decrease in Non-current Liabilities	-	(1.00)
	(57,599.00)	(151,601.00)
Cash flows from financing activities		
Increase/Decrease in Capital	-	-
Proceeds from non current borrowings	5,612,296	8,055,523
Net Increase/(Decrease) in cash and cash equivalents	(40,100)	(10,557)
Add : Cash and cash equivalents at the beginning of the year	215,417	225,974
Cash and cash equivalents at the end of the year	175,317	215,417

For Cambridge Bizserve Inc.

D.R.R Swaroop
Authorised Signatory

Place: Hyderabad

Date: 30.04.2021

CAMBRIDGE BIZ SERVE INC.

2F and 3F Floor, Filipino Gentiles, Juan Dela Cruz St. Toril, Davao City

NOTES TO FINANCIAL STATEMENTS

For the period ended March 31, 2021 (with comprehensive figures for 2020)

1. Company Information:

CAMBRIDGE BIZSERVE Inc ('the Company') was incorporated in Phillipines and registered with the Securities and Exchange Commission on 12th July, 2017.

The company primary purpose is to provide software services including application and development, business process outsourcing, Business Intelligence and data warehousing.

The registered office of the company is located at 2F and 3F Floor, Filipino Gentiles, Juan Dela Cruz St. Toril, Davao City

2. Basis of Preparation and statement of Compliance:

The financial statements have been prepared in accordance with the Phillipine Financial Reporting Standard for Small and Medium-Sized Entities (PFRS for SMEs).

The financial statements have been prepared on the Historical cost basis and are presented in Phillipine Peso, the Company functional currency

3. Summary of Significant Accounting Policies

The Principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Cash:

Cash pertains to cash on hand and in banks.

Trade and other receivables

Trade and other receivables are recognised initially at the transaction price. These are subsequently measured at amortised cost less provision for impairment. Provision for impairment of receivables is established when there is objective of evidence that the company will not be able to collect all the amounts due according to the original terms of the receivables.

Prepayments and other Current Assets:

Prepayments and other current assets are expenses paid in advance and recorded as asset before there are utilized. Prepayments are apportioned over the period covered by the payment and charged to the appropriate accounts in profit or loss when incurred. Prepayment that are expected to be realized for a period of no more than 12 months after the reporting date are classified as current asset. Otherwise, these are classified as other non-current assets.



CAMBRIDGE BIZ SERVE INC.

2F and 3F Floor, Filipino Gentiles, Juan Dela Cruz St. Toril, Davao City

NOTES TO FINANCIAL STATEMENTS

For the period ended March 31, 2021 (with comprehensive figures for 2020)

Property and equipment:

Property and equipment, except for land, are stated at cost less accumulated depreciation and amortization **and** any impairment in value. Land is stated at cost less any impairment in value.

The initial cost of property and equipment comprises its purchase price, including import duties taxes and any directly attributable costs of bringing the assets to its working condition and location for its intended use. Expenditures incurred after the property and equipment have been put into operation, such as maintenance and repairs, are normally charge to profit or loss in the year the cost are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property are capitalized as additional costs of property and equipment

Depreciation and amortization are calculated on a straight-line basis over the estimated useful lives of the assets or the term of the lease, in case of leasehold improvements ,whichever is shorter, as follows:

<u>Category</u>	<u>No. of years</u>
Land and Building	25
Leasehold Improvement	25
Service Vehicle	8
Office Equipment	8

The useful lives and depreciation and amortization methods are reviewed periodically to ensure that the period and methods of depreciation and amortation are consistent with the expected pattern of of economic benefits from items of property and equipment.

When the property and equipment are sold or retired,their cost, accumulated depreciation and amortization and any impairment in value are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statement of comprehensive income.

Trade and Other Payables

Trade payables are non-interest bearing and on normal credit terms.Accrued expenses and others are obligations that will be settled within a year.

Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past event,it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the enterprise and the revenue can be reliably measured.

Costs and Expenses

Costs and expenses are recognized when incurred.

CAMBRIDGE BIZ SERVE INC.

2F and 3F Floor, Filipino Gentiles, Juan Dela Cruz St. Toril, Davao City

NOTES TO FINANCIAL STATEMENTS

For the period ended March 31, 2021 (with comprehensive figures for 2020)

Income Tax

Current *Income Tax*. Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that enacted or substantively enacted at the reporting date.

Deffered Income tax provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose.

Deffered income tax liabilities are recognized for all taxable temporary differences .Deffered income tax assets are recognized for all deductible temporary difference and carry forward benefits of unused net operating loss carryover (NOLCO),to the extent that it is probable that taxable profit will be available against which the deductible temporary difference and carry forward of NOLCO can be utilized.

The carrying amount of deffered tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deffered income tax asset to be utilized.Unrecognized deffered tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deffered tax asset to be recovered.

Deffered tax asset and liabilities are measured at the tax rates expected in the year when the asset is realized or the liability is settled, based on the tax rates and tax law that have been enacted or substantively enacted at the balance sheet date.

Borrowing Costs

All borrowing costs are recognized in profit or loss in the period in which they are incurred.

Contingencies

Contingencies liabilities are not recognized in the financial statements . These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

Events After the End of Reporting Period

Post years-end events that provide additional information about the Company's position at the reporting date (adjusting events) are reflected in the financial statements .Post year-ended events that are not adjusting events are disclosed in the notes to financial statements when material.

4. Significant Accounting Judgments, Estimates and Assumptions

The financial statements were prepared in conformity with PFRS for SMEs which requires management to make estimates that affect amounts reported in the financial statements and related notes. Future events may occur which will cause the estimates to change.The effects of any change in estimates are reflected in the financial statements as they become more reasonably determinable. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



CAMBRIDGE BIZ SERVE INC.

2F and 3F Floor, Filipino Gentiles, Juan Dela Cruz St. Toril, Davao City

NOTES TO FINANCIAL STATEMENTS

For the period ended March 31, 2021 (with comprehensive figures for 2020)

	2021	2020
5 CASH		
- Cash at bank	90,619	80,240
- Cash in hand	84,697	135,177
	<u>175,316</u>	<u>215,417</u>

6 TRADE AND OTHER RECEIVABLES

- Receivable from clients	191,520	310,087
- Others	-	-
	<u>191,520</u>	<u>310,087</u>

Trade receivables are noninterest bearing and generally collected within a month.

7 PROPERTY AND EQUIPMENT

A reconciliation of the carrying amounts at the beginning and end of 2021 and 2020, and the gross carrying amounts and the accumulated depreciation and amortization of property and equipment are shown below:

	Office Computers	Office Equipment	Office Furniture	TOTAL
Net carrying amounts, at 1st April 2020	0	99,669	0	99,669
Additions	28299	29300	-	57,599
Depreciation	(10,822)	(84,894)	-	(95,716)
Net Carrying amounts, at 31st March 2020	<u>17,477</u>	<u>44,075</u>	<u>0</u>	<u>61,552</u>
Cost	1,109,449	787,227	594,696	2,491,372
Net carrying depreciation	(1,091,972)	(743,152)	(594,696)	(2,429,820)
Net Carrying amounts, at 31st March 2021	<u>17,477</u>	<u>44,075</u>	<u>0</u>	<u>61,552</u>

	Office Computers	Office Equipment	Office Furniture	TOTAL
Net carrying amounts, at 1st April 2019	361,014	310121	136,401	807,536
Additions	0	151600	-	151,600
Depreciation	(361,014)	(362,052)	(136,401)	(859,467)
Net Carrying amounts, at 31st March 2020	<u>0</u>	<u>99,669</u>	<u>0</u>	<u>99,669</u>
Cost	1,081,150	757,927	594,696	2,433,773
Net carrying depreciation	(1,081,150)	(658,258)	(594,696)	(2,334,104)
Net Carrying amounts, at 31st March 2020	<u>0</u>	<u>99,669</u>	<u>0</u>	<u>99,669</u>

8 OTHER ASSETS

Advances to employees	214,535	117,195
Rent deposits	108,500	108,500
Other Deposits	30,000	-
	<u>353,035</u>	<u>225,695</u>



9 TRADE AND OTHER PAYABLES

This account consists of:

Statutory Liabilities	219,936	248,382
Salaries payable	386,922	281,615
Trade payable	103,893	56,377
Other payable	48,000	31,840
	<u>758,752</u>	<u>618,214</u>

10 Related party Transactions**Advances to Stockholder**

- From related party

29,274,362

23,662,066

-

-

29,274,36223,662,066**11 SHARE CAPITAL**

Share Capital consist of:

	2021		2020	
	Shares	Amount	Shares	Amount
Common shares - Peso-1 par value subscribed and paid up	50,000	50,000.00	50,000	50,000.00
Additional paid in capital	-	-	-	-
Balance at the end of the year	50,000	50,000.00	50,000	50,000.00

The details of shareholders

	2021		2020	
	% holding	Number of shares	% holding	Number of shares
Cambridge Technology Enterprises Limited	100.00%	50,000	100.00%	50,000

12 DEFICIT**Reserves and surplus**

Retained earnings opening

20,161,397

12,221,997

Net loss

5,822,278

7,939,400

DEFICIT ENDING25,983,67520,161,397**13 DEFERRED TAX ASSET (net)**

Deferred Tax Assets (net)

3,318,015

3,318,015

3,318,0153,318,015

CAMBRIDGE BIZ SERVE INC.

2F and 3F Floor, Filipino Gentiles, Juan Dela Cruz St. Toril, Davao City

NOTES TO FINANCIAL STATEMENTS

For the period ended March 31, 2021 (with comprehensive figures for 2020)

	2021	2020
14 SERVICE REVENUE		
Sale of services - Software services	1,649,171	979,373
	-	
	<u>1,649,171</u>	<u>979,373</u>
15 COST OF SERVICES		
Outside services	114,826	41,628
Salaries and Wages	4,535,639	4,918,629
Rent - office premises	757,896	757,896
Depreciation expense	10,822	361,014
	<u>5,419,182</u>	<u>6,079,167</u>
16 OPERATING EXPENSES		
Staff other costs	573,939	784,748
Other borrowing cost	26,282	29,626
Communication Light & water	419,530	412,805
Repairs and maintenance	-	4,183
Rates & taxes	131	67,076
Communication expenses	131,342	125,768
Office maintenance	234,069	226,810
Travelling & conveyance	14,917	40,037
Professional fees	276,798	498,480
Foreign exchange loss (net)	7,555	2,068
Bad Debts Written off	222,750	-
Miscellaneous expenses	60,067	149,557
Depreciation Expense	84,894	498,453
	<u>2,052,273</u>	<u>2,839,611</u>
17 OTHER INCOME		
Interest income on deposits	-	-
Foreign exchange gain, net	-	-
Miscellaneous income	7	4
	<u>7</u>	<u>4</u>

