

Sample Trading LLC: illustrative financial statements

Illustrative IFRS financial statements for the year ended 31 December 2025, for a fictional Omani trading company.

Figures in Rial Omani (RO) · Last reviewed: 27 September 2026

Illustrative only. These statements are for a fictional company and show a typical layout for a small Omani LLC under IFRS. They are not a template for any specific business, do not include every required disclosure, and do not include the independent auditor's report, which is issued separately.

Statement of financial position as at 31 December 2025

	NOTE	2025 R0	2024 R0
Assets			
Property, plant and equipment	5	126,000	120,000
Total non-current assets		126,000	120,000
Inventories		185,000	160,000
Trade receivables		210,000	175,000
Prepayments and other receivables		12,000	10,000
Cash and cash equivalents		76,250	93,000
Total current assets		483,250	438,000
Total assets		609,250	558,000
Equity and liabilities			
Share capital		150,000	150,000
Legal reserve	7	34,025	25,525
Retained earnings		146,225	109,725
Total equity		330,250	285,250
Bank term loan	8	60,000	80,000
End-of-service benefits		38,000	32,000
Total non-current liabilities		98,000	112,000
Trade payables		128,000	115,000
Accruals and other payables		18,000	16,000
Current portion of bank term loan	8	20,000	20,000
Income tax payable	6	15,000	9,750
Total current liabilities		181,000	160,750
Total liabilities		279,000	272,750
Total equity and liabilities		609,250	558,000

Statement of profit or loss and other comprehensive income for the year ended 31 December 2025

	NOTE	2025 R0	2024 R0
Revenue	4	1,250,000	1,080,000
Cost of sales		(937,500)	(820,800)
Gross profit		312,500	259,200
Other income		8,000	5,000
General and administrative expenses		(168,000)	(152,000)
Selling and distribution expenses		(46,500)	(40,200)
Operating profit		106,000	72,000
Finance costs		(6,000)	(7,000)
Profit before tax		100,000	65,000
Income tax expense	6	(15,000)	(9,750)
Profit for the year		85,000	55,250
Other comprehensive income		–	–
Total comprehensive income for the year		85,000	55,250

Statement of changes in equity for the year ended 31 December 2025

RO	SHARE CAPITAL	LEGAL RESERVE	RETAINED EARNINGS	TOTAL
At 1 January 2024	150,000	20,000	90,000	260,000
Profit for the year			55,250	55,250
Transfer to legal reserve		5,525	(5,525)	–
Dividends paid			(30,000)	(30,000)
At 31 December 2024	150,000	25,525	109,725	285,250
Profit for the year			85,000	85,000
Transfer to legal reserve		8,500	(8,500)	–
Dividends paid			(40,000)	(40,000)
At 31 December 2025	150,000	34,025	146,225	330,250

Statement of cash flows for the year ended 31 December 2025

	NOTE	2025 R0	2024 R0
Operating activities			
Profit before tax		100,000	65,000
Depreciation	5	24,000	22,000
End-of-service benefits charge		9,000	7,000
Finance costs		6,000	7,000
Operating cash flow before working capital changes		139,000	101,000
Increase in inventories		(25,000)	(10,000)
Increase in trade receivables		(35,000)	(15,000)
Increase in prepayments		(2,000)	(1,000)
Increase in trade payables		13,000	10,000
Increase in accruals		2,000	1,000
Cash generated from operations		92,000	86,000
End-of-service benefits paid		(3,000)	(2,000)
Income tax paid		(9,750)	(8,000)
Interest paid		(6,000)	(7,000)
Net cash from operating activities		73,250	69,000
Investing activities			
Purchase of property, plant and equipment		(30,000)	(32,000)
Net cash used in investing activities		(30,000)	(32,000)
Financing activities			
Repayment of bank term loan		(20,000)	(20,000)
Dividends paid		(40,000)	(30,000)
Net cash used in financing activities		(60,000)	(50,000)
Net decrease in cash and cash equivalents		(16,750)	(13,000)
Cash and cash equivalents at 1 January		93,000	106,000
Cash and cash equivalents at 31 December		76,250	93,000

Notes to the financial statements (selected)

1. Legal status and activities

Sample Trading LLC (the "Company") is a limited liability company registered in the Sultanate of Oman. Its principal activity is the import and wholesale distribution of building materials. *The Company is fictional and is used for illustration only.*

2. Basis of preparation

The financial statements are prepared in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of the Commercial Companies Law of the Sultanate of Oman. They are prepared on the historical cost basis and presented in Rial Omani (RO), the Company's functional currency.

3. Material accounting policies (extract)

- **Revenue** from the sale of goods is recognised at the point in time when control passes to the customer, normally on delivery.
- **Inventories** are stated at the lower of cost (weighted average) and net realisable value.
- **Property, plant and equipment** is stated at cost less accumulated depreciation, depreciated on a straight-line basis over 3 to 10 years.
- **Trade receivables** are measured at amortised cost less a loss allowance using the IFRS 9 simplified approach.
- **End-of-service benefits** are provided for in accordance with the Oman Labour Law for non-Omani employees. Contributions for Omani employees are paid to the Social Protection Fund.
- **Income tax** is provided at 15% of taxable profit in accordance with the Oman Income Tax Law.

4. Revenue

	2025 RO	2024 RO
Sale of goods – recognised at a point in time	1,250,000	1,080,000

5. Property, plant and equipment (net book value)

	2025 RO	2024 RO
At 1 January	120,000	110,000
Additions	30,000	32,000
Depreciation charge	(24,000)	(22,000)
At 31 December	126,000	120,000

6. Income tax

RECONCILIATION	2025 RO	2024 RO
Profit before tax	100,000	65,000
Tax at 15%	15,000	9,750
Income tax expense (current tax)	15,000	9,750

The Company had no material temporary differences, so no deferred tax is recognised. Tax assessments up to 2022 are finalised.

7. Legal reserve

The Commercial Companies Law requires 10% of the profit for the year to be transferred to a legal reserve until the reserve equals one-third of share capital. The reserve is not available for distribution.

8. Bank term loan

The loan is repayable in equal annual instalments of RO 20,000, carries interest at a fixed rate and is secured by a corporate guarantee. RO 20,000 is due within one year and RO 60,000 after more than one year.

Prepared by Al Saif Auditing and Financial Consulting as an educational example. IFRS 18 will change the presentation of the statement of profit or loss for years beginning on or after 1 January 2027.

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