ASA Resource Group PLC
(Registration number 02167843)

Annual Financial Statements
for the year ended 31 March 2022

ASA Resource Group PLC

Formerly Mwana Africa PLC
(Registration number 02167843)
Annual Financial Statements for the year ended 31 March 2022

General Information

Country of incorporation and domicile	United Kingdom
Nature of business and principal activities	Investment holding
Directors	Shao B Barbeau OA Wang S
Registered office	Barnes Square Methodist Church Sunday School Church Street Clayton Le Moors Accrington Lancashire England BB5 5NX
Business address	Barnes Square Methodist Church Sunday School Church Street Clayton Le Moors Accrington Lancashire England BB5 5NX
Postal address	Barnes Square Methodist Church Sunday School Church Street Clayton Le Moors Accrington Lancashire England BB5 5NX
Auditor	Ferguson Maidment & Co. Chartered Accountants Registered Auditor
Secretary	Dearing IB
Company registration number	02167843
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of the United Kingdom 2006.
Preparer	The annual financial statements were independently compiled by: Moore Accounting Jhb (Pty) Ltd
Issued	04 October 2022

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The reports and statements set out below comprise the annual financial statements presented to the shareholders:

Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of the United Kingdom 2006.

Preparer

Moore Accounting Jhb (Pty) Ltd

Published

04 October 2022

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of the United Kingdom 2006 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditor is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 March 2023 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditor and their report is presented on pages s 8 to 36.

The annual financial statements set out on pages 6 to 36, which have been prepared on the going concern basis, were approved by the directors on 04 October 2022 and were signed on their behalf by:

Signed on behalf of the Board of Directors By:

Mr. Boxuan Shao

Johannesburg

04 October 2022

Independent Auditor's Report

To the Shareholders of ASA Resource Group PLC

Report on the Audit of the Annual Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of ASA Resource Group PLC (the "Company") for the year ended 31 March 2022 which comprise the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) adopted by the European Union.

We do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matters described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Opinion

We were unable to satisfy ourselves by performing our primary audit procedures and through alternative means concerning the loans to group companies held at 31 March 2021 and 2022, which are stated in the statements of financial position at a total amount of $124,867,530.
We were unable to confirm or verify by alternative means other financial assets included in the statement of financial position at 31 March 2021 and 2022, at a total amount of $3,601,518.
We were unable to confirm or verify by alternative means trade and other receivables included in the statement of financial position at 31 March 2021 and 2022, at a total amount of $6,386,015.
We were unable to confirm or verify by alternative means cash and cash equivalents included in the statement of financial position at 31 March 2021 and 2022, at a total amount of $11,799,001.
We were unable to confirm or verify by alternative means loans from group companies included in the statement of financial position at 31 March 2021 and 2022, at a total amount of $1,806,757 and $3,249,514 respectively.
We were unable to confirm or verify by alternative means trade and other payables included in the statement of financial position at 31 March 2021 and 2022, at a total amount of $Nil $6,409,189 respectively.
We were unable to confirm or verify by alternative means other operating expenses included in the statement of profit or loss and other comprehensive income at 31 March 2022, at a total amount of 832,949 (2021: 12,001,963).

As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded loans to group companies, other financial assets, trade and other receivables, cash and cash equivalents, loans from group companies, trade and other payables and other operating losses, and the elements making up the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows.

<u>Conclusions related to going concern</u>

As a result of being unable to conclude on the financial statements as a whole, it is not appropriate for us to conclude on the use of the going concern basis of accounting.

Opinions on other matters prescribed by the Companies Act 2006

Notwithstanding our disclaimer of an opinion on the financial statements, in our opinion, based on the work undertaken in the course of the audit:
the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
the directors' report has been prepared in accordance with applicable legal requirements.

Independent Auditor's Report

Matters on which we are required to report by exception

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the directors' report.

Arising from the limitation of our work referred to above:
- We have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- We were unable to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:
- Returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are no in agreement with the accounting records and return; or
- Certain disclosures of directors' remuneration specified by law are not made.

Responsibilities of the Directors for the Annual Financial Statements

As explained more fully in the Directors' responsibilities statement set out on page 3, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our responsibility is to conduct an audit of the company's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report.

However, because of the matters described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Use of the audit report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Vivek Kapoor
Ferguson Maidment & Co, Chartered accountants, and Statutory auditor,
167 Fleet Street, London, EC4A 2EA, United Kingdom

04 October 2022

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of ASA Resource Group PLC for the year ended 31 March 2022.

1. Nature of business

ASA Resource Group PLC was incorporated in the United Kingdom with interest in investment holding. The company operates in the United Kingdom.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of the United Kingdom 2006. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

3. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

4. Dividends

The company's dividend policy is to consider an interim and a final dividend in respect of each financial year. At its discretion, the directors may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the directors may pass on the payment of dividends.

Given the current state of the global economic environment, the directors believes that it would be more appropriate for the company to conserve cash and maintain adequate debt headroom to ensure that the company is best placed to withstand any prolonged adverse economic conditions.

Therefore the directors has resolved not to declare a dividend for the financial year ended 31 March 2022.

No dividends were declared or paid to the shareholders during the year (2020: Rnil).

5. Directorate

The directors in office at the date of this report are as follows:

Directors	Office
Shao B	
Barbeau OA	
Wang S	Appointed Tuesday, 1 March 2022
Feng L	Resigned Tuesday, 1 March 2022
Tang L	Resigned Tuesday, 1 March 2022
Dearing IB	Resigned Tuesday, 1 March 2022

6. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

7. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

Directors' Report

8. COVID-19

Due to the global COVID-19 pandemic there is a degree of uncertainty regarding the performance of the entity for future periods. The Board of Directors will keep monitoring the performance of the entity. The COVID-19 pandemic has not had a material impact on the entity's operations and financial performance.

9. Secretary

The company secretary is Mr IB Dearing.

Business address:	Barnes Square Methodist Church Sunday School Church Street Clayton Le Moors Accrington Lancashire England BB5 5NX

10. Auditor

Ferguson Maidment & Co. continued in office as the auditor for the company for 2022.

At the AGM the shareholders will be requested to reappoint Ferguson Maidment & Co. as independent external auditor of the company and to confirm Mr V Kapoor as the designated auditor for the 2023 financial year.

11. Statement of disclosure to the company's auditor

With respect to each person who is a director on the day that this report is approved:
- there is, so far as the person is aware, no relevant audit information of which the company's auditor is unaware; and
- the person has taken all the steps that he/she ought to have taken as a director to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

12. Date of authorisation for issue of financial statements

The annual financial statements have been authorised for issue by the directors on 04 October 2022. No authority was given to anyone to amend the annual financial statements after the date of issue.

13. Litigation statement

During the administration period, all creditor claims were resolved by the Joint Administrators except for Mr. Kalaa Mpinga's claim of £3,666,311 which was still unresolved at the date upon which the Company exited administration. The claim is for unfair dismissal. These funds are currently held by the courts until the matter is resolved.

The annual financial statements set out on pages 8 to 36, which have been prepared on the going concern basis, were approved by the directors on 04 October 2022, and were signed on its behalf by:

Signed on behalf of the Board of Directors By:

Mr. Boxuan Shao

04 October 2022

Johannesburg

ASA Resource Group PLC
Formerly Mwana Africa PLC
(Registration number 02167843)
Annual Financial Statements for the year ended 31 March 2022

Statement of Financial Position as at 31 March 2022

Figures in US Dollar	Notes	2022	2021
Assets			
Non-Current Assets			
Investments in subsidiaries	3	1,305	1,305
Loans to group companies	4	124,867,530	124,267,530
Trade and other receivables	5	6,386,015	-
Other financial assets	6	3,601,518	3,601,518
		134,856,368	**127,870,353**
Current Assets			
Trade and other receivables	5	-	6,386,015
Cash and cash equivalents	7	11,799,001	11,799,001
		11,799,001	**18,185,016**
Total Assets		**146,655,369**	**146,055,369**
Equity and Liabilities			
Equity			
Share capital	8	173,292,209	173,292,209
Reserves		744,418	744,418
Accumulated loss		(37,112,785)	(36,270,028)
		136,923,842	**137,766,599**
Liabilities			
Non-Current Liabilities			
Loans from group companies	9	3,249,514	1,806,757
Trade and other payables	10	6,409,189	-
		9,658,703	**1,806,757**
Current Liabilities			
Trade and other payables	10	-	6,409,189
Current tax payable		72,824	72,824
		72,824	**6,482,013**
Total Liabilities		**9,731,527**	**8,288,770**
Total Equity and Liabilities		**146,655,369**	**146,055,369**

The annual financial statements and the notes on pages 6 to 36, were approved by the directors on the 04 October 2022 and were signed on its behalf by:

Mr. Boxuan Shao

The accounting policies on pages 12 to 22 and the notes on pages 23 to 35 form an integral part of the annual financial statements.

Statement of Profit or Loss and Other Comprehensive Income

Figures in US Dollar	Notes	2022	2021
Other operating gains (losses)	11	(9,808)	(15,522)
Other operating expenses		(832,949)	(12,001,963)
Operating loss		**(842,757)**	**(12,017,485)**
Finance income	12	-	33
Loss for the year		**(842,757)**	**(12,017,452)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(842,757)**	**(12,017,452)**

Statement of Changes in Equity

Figures in US Dollar	Share capital	Share premium	Total share capital	Share based payment reserve	Accumulated loss	Total equity
Balance at 01 April 2020	**104,061,244**	**69,230,965**	**173,292,209**	**744,418**	**(24,252,576)**	**149,784,051**
Loss for the year	-	-	-	-	(12,017,452)	(12,017,452)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive Loss for the year	**-**	**-**	**-**	**-**	**(12,017,452)**	**(12,017,452)**
Balance at 01 April 2021	**104,061,244**	**69,230,965**	**173,292,209**	**744,418**	**(36,270,028)**	**137,766,599**
Loss for the year	-	-	-	-	(842,757)	(842,757)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive Loss for the year	**-**	**-**	**-**	**-**	**(842,757)**	**(842,757)**
Balance at 31 March 2022	**104,061,244**	**69,230,965**	**173,292,209**	**744,418**	**(37,112,785)**	**136,923,842**
Note(s)	8	8	8			

Statement of Cash Flows

Figures in US Dollar	Notes	2022	2021
Cash flows from operating activities			
Cash used in operations	13	(832,949)	(12,017,487)
Finance income	12	-	33
Net cash from operating activities		**(832,949)**	**(12,017,454)**
Cash flows from investing activities			
Loans to group companies repaid		-	23,326,309
Loans advanced to group companies		(600,000)	-
Net cash from investing activities		**(600,000)**	**23,326,309**
Cash flows from financing activities			
Proceeds from loans from group companies		1,442,757	-
Repayment of loans from group companies		-	(31,029)
Repayment of borrowings		-	(1)
Net cash from financing activities		**1,442,757**	**(31,030)**
Total cash movement for the year		**9,808**	**11,277,825**
Cash at the beginning of the year		11,799,001	521,176
Effect of exchange rate movement on cash balances		(9,808)	-
Total cash at end of the year	7	**11,799,001**	**11,799,001**

Accounting Policies

Corporate information

ASA Resource Group PLC is a public limited company incorporated and domiciled in United Kingdom.

The annual financial statements for the year ended 31 March 2022 were authorised for issue in accordance with a resolution of the directors on 04 October 2022.

1. Significant accounting policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act of the United Kingdom 2006.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in US Dollars, which is the company's functional currency.

These accounting policies are consistent with the previous period.

1.2 Investments in subsidiaries

Investments in subsidiaries

Investments in subsidiaries are carried at cost less any accumulated impairment losses. This excludes investments which are held for sale and are consequently accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

1.3 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Impairment testing

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

1.4 Financial instruments

Financial instruments held by the company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the company ,as applicable, are as follows:

Financial assets which are equity instruments:
- Mandatorily at fair value through profit or loss; or

Financial assets which are debt instruments:
- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Mandatorily at fair value through profit or loss.

Financial liabilities:
- *Amortised cost; or*
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or

Note 18 Financial instruments and risk management presents the financial instruments held by the company based on their specific classifications.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the company are presented below:

Accounting Policies

1.4 Financial instruments (continued)

Loans receivable at amortised cost

Classification

Loans to group companies (note 4) is classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on these loans.

Recognition and measurement

Loans receivable are recognised when the company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the loan initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

Interest income is calculated using the effective interest method, and is included in profit or loss in finance income (note 12).

The application of the effective interest method to calculate interest income on a loan receivable is dependent on the credit risk of the loan as follows:

- The effective interest rate is applied to the gross carrying amount of the loan, provided the loan is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a loan is purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the loan, even if it is no longer credit-impaired.
- If a loan was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the loan in the determination of interest. If, in subsequent periods, the loan is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Loans denominated in foreign currencies

When a loan receivable is denominated in a foreign currency, the carrying amount of the loan is determined in the foreign currency. The carrying amount is then translated to the US Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in the other operating gains (losses).

Details of foreign currency risk exposure and the management thereof are provided in the specific notes.

Impairment

The company recognises a loss allowance for expected credit losses on all loans receivable measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans.

The company measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses (12 month ECL).

Accounting Policies

1.4 Financial instruments (continued)

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12 month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the company considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a loan has increased significantly since initial recognition, the company compares the risk of a default occurring on the loan as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

Irrespective of the outcome of the above assessment, the credit risk on a loan is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the company has reasonable and supportable information that demonstrates otherwise.

By contrast, if a loan is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk on the loan has not increased significantly since initial recognition.

The company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

Definition of default

For purposes of internal credit risk management purposes, the company consider that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the company considers that default has occurred when a loan instalment is more than 90 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default, taking the time value of money into consideration.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. The exposure at default is the gross carrying amount of the loan at the reporting date.

Lifetime ECL is measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level. Loans are then grouped in such a manner that they share similar credit risk characteristics, such as nature of the loan, external credit ratings (if available), industry of counterparty etc.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Accounting Policies

1.4 Financial instruments (continued)

If the company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the company measures the loss allowance at an amount equal to 12 month ECL at the current reporting date, and visa versa.

An impairment gain or loss is recognised for all loans in profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance.

Credit risk

Details of credit risk related to loans receivable are included in the specific notes and the financial instruments and risk management (note 18).

Derecognition

Refer to the "derecognition" section of the accounting policy for the policies and processes related to derecognition.

Any gains or losses arising on the derecognition of a loan receivable is included in profit or loss in derecognition gains (losses) on financial assets at amortised cost .

Accounting Policies

1.4 Financial instruments (continued)

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 5).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognised when the company becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

For receivables which contain a significant financing component, interest income is calculated using the effective interest method, and is included in profit or loss in finance income.

The application of the effective interest method to calculate interest income on trade receivables is dependent on the credit risk of the receivable as follows:

- The effective interest rate is applied to the gross carrying amount of the receivable, provided the receivable is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a receivable is a purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the receivable, even if it is no longer credit-impaired.
- If a receivable was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the receivable in the determination of interest. If, in subsequent periods, the receivable is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Trade and other receivables denominated in foreign currencies

When trade and other receivables are denominated in a foreign currency, the carrying amount of the receivables are determined in the foreign currency. The carrying amount is then translated to the US Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in other operating gains (losses).

Details of foreign currency risk exposure and the management thereof are provided in the trade and other receivables (note 5).

Impairment

The company recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The company measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Accounting Policies

1.4 Financial instruments (continued)

Measurement and recognition of expected credit losses

The company makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 5.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance.

Write off policy

The company writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the company recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Credit risk

Details of credit risk are included in the trade and other receivables note (note 5) and the financial instruments and risk management note (note 18).

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Any gains or losses arising on the derecognition of trade and other receivables is included in profit or loss in the derecognition gains (losses) on financial assets at amortised cost line item.

1.4 Financial instruments (continued)

Trade and other payables

Classification

Trade and other payables (note), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs.

Trade and other payables expose the company to liquidity risk and possibly to interest rate risk. Refer to note 18 for details of risk exposure and management thereof.

Trade and other payables denominated in foreign currencies

When trade payables are denominated in a foreign currency, the carrying amount of the payables are determined in the foreign currency. The carrying amount is then translated to the US Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in the other operating gains (losses).

Details of foreign currency risk exposure and the management thereof are provided in the specific note.

Derecognition

Refer to the "derecognition" section of the accounting policy for the policies and processes related to derecognition.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Bank overdrafts

Bank overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

1.5 Hedge accounting

At the inception of the hedge relationship, the company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the company documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and

Accounting Policies

1.5 Hedge accounting (continued)

- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the company actually hedges and the quantity of the hedging instrument that the company actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the company adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

The company designates the full change in the fair value of a forward contract (i.e. including the forward elements) as the hedging instrument for all of its hedging relationships involving forward contracts.

The company excludes the time value of options and designates only the intrinsic value of options as the hedging instruments in hedges involving options as the hedging instruments. The change in fair value attributable to the time value of options is recognised in other comprehensive income and accumulated in equity as deferred hedging gains (losses). The company only hedges time period related hedged items using options. The change in the aligned time value is recognised in other comprehensive income and is amortised on a systematic and rational basis over the period during which the hedge adjustment for the option's intrinsic value could affect profit or loss (or other comprehensive income, if the hedged item is an equity instrument at fair value through other comprehensive income). However, if hedge accounting is discontinued the net amount (i.e. including cumulative amortisation) that has been accumulated in the deferred hedging reserve is immediately reclassified into profit or loss.

1.6 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.7 Leases

The company assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the company has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

Accounting Policies

1.7 Leases (continued)

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

1.8 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at no par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the company in which they are declared.

1.9 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.10 Revenue from contracts with customers

The company recognises revenue from the following major sources:
- Provision of management services

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

Provision of management services

For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual labour hours spend relative to the total expected labour hours.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

1.11 Borrowing costs

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Accounting Policies

1.12 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in US$, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:
- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

In circumstances where the company receives or pays an amount in foreign currency in advance of a transaction, the transaction date for purposes of determining the exchange rate to use on initial recognition of the related asset, income or expense is the date on which the company initially recognised the non-monetary item arising on payment or receipt of the advance consideration.

If there are multiple payments or receipts in advance, company determines a date of transaction for each payment or receipt of advance consideration.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in US Dollars by applying to the foreign currency amount the exchange rate between the US Dollar and the foreign currency at the date of the cash flow.

Investments in subsidiaries, joint ventures and associates

The results and financial position of a foreign operation are translated into the functional currency using the following procedures:
- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised to other comprehensive income and accumulated as a separate component of equity.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through to other comprehensive income on disposal of net investment.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation.

The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

Notes to the Annual Financial Statements

Figures in US Dollar	2022	2021

2. New Standards and Interpretations

2.1 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 April 2022 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2022	Unlikely there will be a material impact

3. Interests in subsidiaries

The following table lists the entities which are controlled directly by the company, and the carrying amounts of the investments in the company's separate financial statements.

Name of company	Held by	% holding 2022	% holding 2021	Carrying amount 2022	Carrying amount 2021
ASA Headco Limited		100.00 %	100.00 %	1,305	1,305

Subsidiaries pledged as security

The country of incorporation and the principal place of business are the United Kingdom.

ASA Headco Limited has a 31 July financial year end.

The related group entities are incorporated in various contries across the African and North American continents.

Notes to the Annual Financial Statements

Figures in US Dollar	2022	2021

4. Loans to group companies

Group related companies		
ASA Headco Limited	69,021,373	69,021,373
MACG SARL	52,662,239	52,662,239
Mizako SARL	2,487,469	2,487,469
Parc Selemba Limited	621,395	21,395
Sibeka SA (Belgium)	75,054	75,054
	124,867,530	**124,267,530**

The loans are unsecured, interest free and have no fixed terms of repayment thereof.

Split between non-current and current portions

Non-current assets	124,867,530	124,267,530
Current assets	-	-
	124,867,530	**124,267,530**

Figures in US Dollar | 2022 | 2021

4. Loans to group companies (continued)

Exposure to credit risk

Loans receivable inherently expose the company to credit risk, being the risk that the company will incur financial loss if counterparties fail to make payments as they fall due.

The maximum exposure to credit risk is the gross carrying amount of the loans as presented below. The company does not hold collateral or other credit enhancements against group loans receivable.

Credit loss allowances

The following tables set out the carrying amount, loss allowance and measurement basis of expected credit losses for group loans receivable by credit rating grade:

2022

Instrument	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
ASA Headco Limited	12m ECL	69,021,373	-	69,021,373
MACG SARL	12m ECL	52,662,239	-	52,662,239
Mizako SARL	12m ECL	2,487,469	-	2,487,469
Parc Selemba Limited	12m ECL	621,395	-	621,395
Sibeka SA (Belgium)	12m ECL	75,054	-	75,054
		124,867,530	**-**	**124,867,530**

Notes to the Annual Financial Statements

Figures in US Dollar	2022	2021

4. Loans to group companies (continued)

2021

Instrument	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
ASA Headco Limited	12m ECL	69,021,373	-	69,021,373
MACG SARL	12m ECL	52,662,239	-	52,662,239
Mizako SARL	12m ECL	2,487,469	-	2,487,469
Parc Selemba Limited	12m ECL	21,395	-	21,395
Sibeka SA (Belgium)	12m ECL	75,054	-	75,054
		124,267,530	**-**	**124,267,530**

Exposure to currency risk

Refer to note 18 Financial instruments and financial risk management for details of currency risk management for group loans receivable.

Exposure to interest rate risk

Refer to note 18 Financial instruments and financial risk management for details of interest rate risk management for group loans receivable.

Fair value of group loans receivable

The fair value of group loans receivable approximates their carrying amounts.

Notes to the Annual Financial Statements

Figures in US Dollar	2022	2021

5. Trade and other receivables

Financial instruments:		
Trade receivables	2,379	2,379
Other receivables	6,383,636	6,383,636
Trade receivables at amortised cost	6,386,015	6,386,015
Total trade and other receivables	**6,386,015**	**6,386,015**

Split between non-current and current portions

Non-current assets	6,386,015	-
Current assets	-	6,386,015
	6,386,015	**6,386,015**

Exposure to credit risk

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if customers fail to make payments as they fall due.

The company's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles.

Exposure to currency risk

Refer to note 18 for details of currency risk management for trade receivables.

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

6. Other financial assets

Loans and receivables		
ICO creditor loan	3,256,782	3,256,782
Share based payments to employees	344,736	344,736
	3,601,518	**3,601,518**
Non-current assets		
Loans and receivables	3,601,518	3,601,518

7. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	11,799,001	11,799,001

Exposure to currency risk

Refer to note 18 Financial instruments and financial risk management for details of currency risk management for cash and cash equivalents.

Notes to the Annual Financial Statements

Figures in US Dollar	2022	2021

8. Share capital

Issued		
Ordinary	104,061,244	104,061,244
Share premium	69,230,965	69,230,965
	173,292,209	**173,292,209**

The share capital of the company consist of an unlimited number of ordinary shares of 0.01 penny each and deferred shares of 9 pence and 0.09 pence each

9. Loans from group companies

Subsidiaries

MAH Proprietary Limited	1,806,757	1,806,757

The loans are unsecured, interest free and have no fixed terms of repayment thereof.

Holding company

Rich Pro Investments Limited	1,442,757	-

The loans are unsecured, interest free and have no fixed terms of repayment thereof.

Split between non-current and current portions

Non-current liabilities	3,249,514	1,806,757

Exposure to currency risk

Refer to note 18 Financial instruments and financial risk management for details of currency risk management for group loans payable.

Exposure to interest rate risk

Refer to note 18 Financial instruments and financial risk management for details of interest rate risk management for group loans receivable.

Fair value of group loans payable

The fair value of group loans payable approximates their carrying amounts.

10. Trade and other payables

Financial instruments:		
Trade payables	4,636,047	4,636,047
Other payables	1,510,273	1,510,273
VAT	262,869	262,869
	6,409,189	**6,409,189**

Notes to the Annual Financial Statements

Figures in US Dollar		2022	2021

10. Trade and other payables (continued)

Split between non-current and current portions

	2022	2021
Non-current liabilities	6,409,189	-
Current liabilities	-	6,409,189
	6,409,189	**6,409,189**

Exposure to currency risk

Refer to note 18 Financial instruments and financial risk management for details of currency risk management for trade and other payables.

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts.

11. Other operating gains (losses)

	Note	2022	2021
Gains (losses) on disposals, scrappings and settlements			
Investments in subsidiaries	3	-	(15,522)
Total other operating gains (losses)		**(9,808)**	**(15,522)**

12. Finance income

	2022	2021
Interest income		
Investments in financial assets:		
Bank and other cash	-	33

Investment income on financial instruments which are available for sale or held to maturity are only presented for comparative purposes for financial instruments held in the prior reporting period but which were disposed of prior to the beginning current reporting period, which is the date of adoption of IFRS 9 Financial Instruments. Investment income on all other financial assets has been reclassified in compliance with IFRS 9.

13. Cash used in operations

	2022	2021
Loss before taxation	(842,757)	(12,017,452)
Adjustments for:		
Losses on disposals, scrappings and settlements of assets and liabilities	-	15,522
Losses on foreign exchange	9,808	-
Interest income	-	(33)
Changes in working capital:		
Trade and other payables	-	(15,524)
	(832,949)	**(12,017,487)**

14. Tax paid

	2022	2021
Balance at beginning of the year	(72,824)	(72,824)
Balance at end of the year	72,824	72,824
	-	-

Notes to the Annual Financial Statements

Figures in US Dollar	2022	2021

15. Contingencies

A claim of £3,666,311 in which Mr Kalaa Mpinga is claiming payment in lieu, severance allowance, pension contributions and interest of 12%. The claim is for unfair dismissal. The funds are currenlty held by the courts unitl the matter is resolved.

16. Related parties

Relationships	
Subsidiaries	Refer to note 3
Shareholder with significant influence	L Feng

Related party balances

	2022	2021
Loan accounts - Owing (to) by related parties		
ASA Headco Limited	80,380,830	80,380,830
MACG SARL	52,662,239	52,662,239
Mizako SARL	2,487,469	2,487,469
Parc Selemba Limited	21,395	21,395
Sibeka SA (Belgium)	75,054	75,054
MAH Proprietary Limited	(1,806,757)	(1,806,757)
Compensation to directors and other key management		
Director fees	127,020	7,702

17. Directors' emoluments

Executive

2022

	Emoluments	Total
In connection with the affairs if the company	-	-
Dearing IB	127,020	127,020
	127,020	**127,020**

2021

	Emoluments	Total
Dearing IB	7,702	7,702

Figures in US Dollar 2022 2021

18. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2022

	Note(s)	Amortised cost	Total	Fair value
Loans to group companies	4	124,867,530	124,867,530	124,267,530
Trade and other receivables	5	6,386,015	6,386,015	6,386,015
Cash and cash equivalents	7	11,799,001	11,799,001	11,799,001
		143,052,546	**143,052,546**	**142,452,546**

2021

	Note(s)	Amortised cost	Total	Fair value
Loans to group companies	4	124,267,530	124,267,530	124,267,530
Trade and other receivables	5	6,386,015	6,386,015	6,386,015
Cash and cash equivalents	7	11,799,001	11,799,001	11,799,001
		142,452,546	**142,452,546**	**142,452,546**

Categories of financial liabilities

2022

	Note(s)	Leases	Total	Fair value
Trade and other payables	10	6,409,189	6,409,189	6,409,189

2021

	Note(s)	Leases	Total	Fair value
Trade and other payables	10	6,409,189	6,409,189	6,409,189

Notes to the Annual Financial Statements

Figures in US Dollar		2022	2021

18. Financial instruments and risk management (continued)

Capital risk management

The company's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the company's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

The company manages capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, the company may adjust the amount of dividends paid to the shareholders, return capital to the shareholders, repurchase shares currently issued, issue new shares, issue new debt, issue new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.

Borrowings	10	6,409,189	6,409,189
Cash and cash equivalents	7	(11,799,001)	(11,799,001)
Net borrowings		**(5,389,812)**	**(5,389,812)**
Equity		136,923,842	137,766,599
Gearing ratio		(4)%	(4)%

18. Financial instruments and risk management (continued)

Financial risk management

Overview

The company is exposed to the following risks from its use of financial instruments:
- Credit risk;
- Market risk (currency risk).

Credit risk

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

The company is exposed to credit risk on loans receivable, trade and other receivables, cash and cash equivalents, loan commitments and financial guarantees.

Credit loss allowances for expected credit losses are recognised for all debt instruments, but excluding those measured at fair value through profit or loss. Credit loss allowances are also recognised for loan commitments and financial guarantee contracts.

In order to calculate credit loss allowances, management determine whether the loss allowances should be calculated on a 12 month or on a lifetime expected credit loss basis. This determination depends on whether there has been a significant increase in the credit risk since initial recognition. If there has been a significant increase in credit risk, then the loss allowance is calculated based on lifetime expected credit losses. If not, then the loss allowance is based on 12 month expected credit losses. This determination is made at the end of each financial period. Thus the basis of the loss allowance for a specific financial asset could change year on year.

Management apply the principle that if a financial asset's credit risk is low at year end, then, by implication, the credit risk has not increased significantly since initial recognition. In all such cases, the loss allowance is based on 12 month expected credit losses. Credit risk is assessed as low if there is a low risk of default (where default is defined as occurring when amounts are 90 days past due). When determining the risk of default, management consider information such as payment history to date, industry in which the customer is employed, period for which the customer has been employed, external credit references etc. In any event, if amounts are 30 days past due, then the credit risk is assumed to have increased significantly since initial recognition. Credit risk is not assessed to be low simply because of the value of collateral associated with a financial instrument. If the instrument would not have a low credit risk in the absence of collateral, then the credit risk is not considered low when taking the collateral into account. Trade receivable and contract assets which do not contain a significant financing component are the exceptions and are discussed below.

For trade receivables and contract assets which do not contain a significant financing component, the loss allowance is determined as the lifetime expected credit losses of the instruments. For all other trade receivables, contract assets and lease receivables, IFRS 9 permits the determination of the credit loss allowance by either determining whether there was a significant increase in credit risk since initial recognition or by always making use of lifetime expected credit losses. Management have chosen as an accounting policy, to make use of lifetime expected credit losses. Management does therefore not make the annual assessment of whether the credit risk has increased significantly since initial recognition for trade receivables, contract assets or lease receivables.

Figures in US Dollar 2022 2021

18. Financial instruments and risk management (continued)

The maximum exposure to credit risk is presented in the table below:

		2022			2021		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Loans to group companies	4	124,867,530	-	124,867,530	124,267,530	-	124,267,530
Trade and other receivables	5	6,386,015	-	6,386,015	6,386,015	-	6,386,015
Cash and cash equivalents	7	11,799,001	-	11,799,001	11,799,001	-	11,799,001
		143,052,546	**-**	**143,052,546**	**142,452,546**	**-**	**142,452,546**

Amounts are presented at amortised cost or fair value depending on the accounting treatment of the item presented.

Foreign currency risk

The company has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the company's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

There have been no significant changes in the foreign currency risk management policies and processes since the prior reporting period.

Notes to the Annual Financial Statements

Figures in US Dollar		2022	2021

18. Financial instruments and risk management (continued)

Exposure in Pound Sterling

The net carrying amounts, in US Dollar, of the various exposures, are denominated in the following currencies. The amounts have been presented in US Dollar by converting the foreign currency amounts at the closing rate at the reporting date:

Pound Sterling exposure:

Non-current assets:			
Group loans	4	95,100,936	90,719,630
Trade and other receivables	5	4,863,682	-
Current assets:			
Trade and other receivables	5	-	4,634,263
Cash and cash equivalents	7	8,986,291	8,562,410
Non-current liabilities:			
Trade and other payables	10	4,881,332	-
Group loans	9	2,474,877	1,311,144
Current liabilities:			
Trade and other payables	10	-	4,651,081
Net GBP exposure		**116,307,118**	**109,878,528**

Exchange rates

The following closing exchange rates were applied at reporting date:

US Dollar per unit of foreign currency:		
US Dollar	1.313	1.378

19. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

Due to the global COVID-19 pandemic there is a degree of uncertainty regarding the performance of the entity for future periods. The Board of Directors will keep monitoring the performance of the entity. The COVID-19 pandemic has not had a material impact on the entity's operations and financial performance.

20. Events after the reporting period

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

Detailed Income Statement

Figures in US Dollar	Notes	2022	2021
Other operating gains (losses)			
Gain on disposal of assets or settlement of liabilities		-	(15,522)
Foreign exchange losses		(9,808)	-
	11	**(9,808)**	**(15,522)**
Other operating expenses			
Administration and management fees		-	(4,116,517)
Auditors remuneration - external auditors		(49,169)	-
Bank charges		-	(4,676)
Consulting and professional fees		(413,809)	(23,190)
Consulting and professional fees - accounting		(59,446)	-
Creditors dividend		-	(3,487,738)
Employee costs		(127,020)	(7,702)
Insurance		-	(29,760)
Lease rentals on operating lease		(40,709)	-
Legal fees		(56,076)	(4,294,725)
Listing costs		(51,218)	(37,655)
Office expenses		(15,758)	-
Secretarial fees		(7,476)	-
Telephone and fax		(290)	-
Travel - overseas		(11,978)	-
		(832,949)	**(12,001,963)**
Operating loss		**(842,757)**	**(12,017,485)**
Finance income	12	-	33
Loss for the year		**(842,757)**	**(12,017,452)**

The supplementary information presented does not form part of the annual financial statements and is unaudited