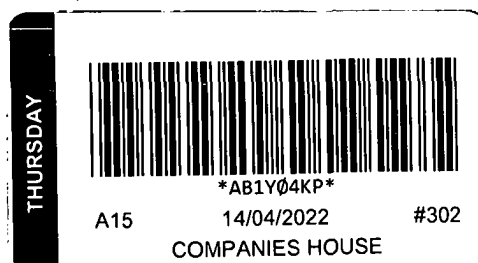


Company registration no. 02654245

Global Tea & Commodities Ltd

**Annual Report and Financial Statements
For the year ended 31 December 2020**



Global Tea & Commodities Ltd
Annual Report and Financial Statements

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For the year ended 31 December 2020

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Company information

For the year ended 31 December 2020

Directors	M McBrien F Ahmed N Ahmed
Company secretary	M McBrien
Registered number	2654245
Registered office	Suite 2 5 th Floor 1 Duchess Street London W1W 6AN
Independent auditor	BDO LLP Arcadia House Ocean Village Southampton SO14 3TL

Strategic Report

For the year ended 31 December 2020

Principal business activities

Global Tea & Commodities Ltd is the holding company of the Global Tea & Commodities group of companies. In addition, Global Tea & Commodities Ltd is engaged in the trading of tea and general commodities. Through its subsidiary companies the group operates coffee and macadamia nut plantations in Malawi and tea packing and trading facilities in Kenya.

The financial statements have received a qualified opinion in respect of the physical inventory quantities at 31 December 2020 which have not been physically verified and which are included in the statement of financial position at \$6,721,462. The physical inventory at 31 December 2020 is represented by \$5,052,162 of goods in transit, \$1,656,677 of goods held in third party warehouses in the UK and by \$12,623 held in other locations. A physical verification of inventory in transit is impractical and the physical verification of inventory in third party warehouses was not permitted due to Covid-19 restrictions.

Principal risks and uncertainties

World demand for the commodities produced by the group continues to increase. Many of the products sold by the group carry a relatively low unit price and world demand for these products is generally unaffected by factors affecting the world economy.

The core of the products sold by the group are agriculture based and world supply of the underlying commodities is largely dependent on the weather patterns in the producing countries. The resultant volatility in world supply can lead to fluctuations in the world price of these commodities.

A proportion of the group's revenues and costs are earned in Sterling and are subject to translation risk.

Financial KPI

Revenue for the year was \$194m (2019: \$193m). The increase in revenue was primarily the result of increased export sales from Kenya following the addition of new contracts offset by lower realised prices for macadamia. Despite the increase in revenue the group saw a reduction in sales of branded tea in Africa as a result of Covid-19 restrictions with EBITDA before impairments reducing to \$5.0m (2019: \$5.5m).

In the year under review the world price of tea and coffee were:

Quarterly Averages	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar
US\$/Kg	2019	2019	2019	2020	2020	2020	2020	2021
Tea Average	2.65	2.58	2.58	2.33	2.57	3.09	2.81	2.55
Coffee Arabica	2.73	2.87	3.12	3.13	3.28	3.50	3.38	3.63

Revenue in the manufacturing division in Kenya increased during 2020 with sales increasing to US\$43m (2019: US\$35m). This was primarily in sales to the UK with the average Sterling exchange rate during the year at \$1.29 (2019: \$1.28). The effect of this increase was partly offset with higher tea prices which reduced margins on sales. Export revenues in 2021 have continued to grow.

Sales of the Company's Kericho Gold & Baraka Chai brands within Kenya were affected by Covid-19 curfews and higher operating costs during 2020. During 2021 the company reduced promotional activity on these brands which has further reduced revenue but, combined with lower tea prices, has improved margins.

The trading division operates in a competitive environment with a few select customers worldwide. During 2020 the group continued the policy of only trading with long established customers. Sales volumes during 2020 increased to 69.8m kg (2019: 66.4m kg). The average tea price in the Mombasa auction during 2020 was \$2.00 (2019: \$2.21). Turnover, including group transactions, was US\$158m (2019: US\$158m). The decrease in tea prices resulted in gross margins increasing to 3.8% (2019: 3.5%).

Strategic Report (continued)

For the year ended 31 December 2020

Financial KPI (continued)

Coffee harvesting season for the group's plantation operations commences in August and finishes in March of the following year. Average coffee prices achieved by the group during the year decreased to \$2.87 (2019: \$2.89) which was offset by an increased harvest.

Macadamia production in the north of Malawi suffered from a period of cold weather during the main harvesting season which reduced the availability of out-grower macadamia available to the group for sale. The group's estates in the south of Malawi escaped these adverse conditions

	2020	2019	2018	2017	2016	2015
	MT	MT	MT	MT	MT	MT
Production						
Macadamia	298	283	335	235	237	313
Coffee	538	473	379	325	435	575
Sales						
Macadamia	341	264	353	219	272	310
Coffee	554	501	271	325	427	680

The reduced purchases of lower margin out-grower macadamia resulted in gross margins for the plantation division increasing to 37.8% (2019: 35.2%).

Turnover, including group transactions, for the division was US\$5.1m (2019: US\$5.2m).

Macadamia continues to perform strongly and should continue to contribute as orchards mature.

Non Financial KPI

The group continues to invest in sustainable development programs to reduce the environmental impact of its operations.

The coffee plantations of the group have been certified under the Rain Forest Alliance certification scheme.

Dairy Disposal

In the year under review the group disposed of its cattle and dairy operations in Malawi which were seen as non-core to the group's main activities. The disposal recorded a loss against the carrying value of the assets of \$1.5m in the Statement of Comprehensive Income. A release of \$1.5m was made from revaluation reserves to reflect cost value of the assets sold.

Strategic Report (continued)

For the year ended 31 December 2020

Section 172 Statement

Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders and other matters in their decision making. The directors continue to have regard to the interests of the Company's employees and other stakeholders, the impact of its activities on the community, the environment and the Company's reputation for good business conduct, when making decisions. In this context, acting in good faith and fairly, the directors consider what is most likely to promote the success of the Company for its members in the long term.

As required, the Company Secretary provides support to the board to help ensure that sufficient consideration is given to issues relating to the matters set out in s172(1) (a)-(f).

The group's employees are recognised as vital to its success and the group has worked extensively with the International Finance Corporation in Kenya and Malawi to further enhance the methods of engagement with its employees. The company has recently reviewed its anti-corruption, anti-bribery and whistle-blowing policies. The board has implemented a program to promote gender empowerment across all locations in which we operate and has increased the opportunities for all employees to regularly engage with senior staff.

The company partners with the International Finance Corporation and FDOV to engage with over 1,000 smallholder farmers in Malawi to promote good agricultural practice, assist in the development of macadamia and coffee crops and to provide a route to export markets for local farmers.

The board would like to thank its key customers for their assistance in expanding and maintaining the company's medical and maternity clinics to ensure that these facilities are available to our employees and the local communities.

The farming operations of the company have been reviewed and audited to maintain compliance with international standards. Senior members of the board regularly review the impact of the group's operations on the wider local communities in which we operate and engage proactively to promote the sustainable development of the company.

By order of the Board

M. M'Brien

M McBrien

Director

Date: 12 April 2022

Directors' Report

For the year ended 31 December 2020

The directors present their directors' report and financial statements of the group for the year ended 31 December 2020.

Principal activities

Global Tea & Commodities Ltd is the holding company of the Global Tea & Commodities group of companies. In addition, Global Tea & Commodities Ltd is engaged in the trading of tea and general commodities. Through its subsidiary companies the group operates coffee and macadamia nut plantations in Malawi and tea packing and trading facilities in Kenya.

Results and dividends

The trading results of the group for the year, and the group's and Company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended the payment of a dividend (2019: \$nil).

Future developments

There are no anticipated changes to the nature of the group's operations in 2021. The group's trading and manufacturing operations continue to trade profitably. Poor weather conditions during 2021 adversely affected the macadamia crop but this will be partly offset by improved coffee prices.

The Covid-19 pandemic has resulted in an increase in sales across most of the group's operations except for branded tea sales in Kenya. Disruptions to the supply chain and increased operating costs have had an adverse effect on margins. It is expected that 2021 overall performance will be better than 2020.

Employees

The Group continues to recruit, train and develop disabled employees and make reasonable adjustments where employees become disabled during their employment.

The Group undertakes regular risk assessments to protect the health and safety of its employees.

Employee committees operate in all the companies in the Group to promote the involvement of employees in the management of the company.

Directors

The directors who held office during the year were as follows:

N Ahmed
M McBrien
F Ahmed

Donations

During the year the company made the following contributions:

	2020 \$	2019 \$
Charitable	5,831	21,439
Political	-	-

Global Tea & Commodities Ltd
Annual Report and Financial Statements

Directors' Report (continued)

For the year ended 31 December 2020

Post Balance sheet events

In June 2021, as part of a capital restructuring exercise by Typhoo Tea Limited, the group agreed to convert £2.1m of trade receivables due from Typhoo Tea Limited into a £2.0m loan payable in 12 equal quarterly instalments commencing in November 2022.

In April 2021, the existing shareholders of Global Tea & Commodities Limited agreed to sell up to 13% of the company and issue preference shares with a coupon of 13% to Brompton Holdco Limited for US\$20m. The purpose of the investment is to provide the funding required to expand the worldwide operations of Global Tea & Commodities Limited. At the date of signing these financial statements, the company has received \$5m of the investment and issued ordinary shares representing 3.25% of the company and preference shares for \$4,999,673 to Brompton Holdco Limited.

Matters covered in the Strategic Report and Financial Statements

As permitted by Schedule 7 to the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report and in note 30 of the Financial Statements. These matters relate to principal risks and uncertainties, the principal activities of the company and financial risk management of the Group.

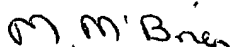
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and BDO LLP will therefore continue in office.

By order of the Board



M McBrien

Director

Date: 12 April 2022

Statement of Directors' Responsibilities

For the year ended 31 December 2020

Directors' responsibilities

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and company financial statements in accordance in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group and company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether UK adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the members of Global Tea & Commodities Limited

For the year ended 31 December 2020

Qualified opinion on the financial statements

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2020 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Global Tea & Commodities Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive income, the Consolidated and company Statement of Financial Position, the Consolidated Statement of cash Flows, the Consolidated and Company Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

Basis for qualified opinion

We were not appointed as auditor of the company until after 31 December 2019 and thus did not observe the counting of physical inventories at the end of that year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities of \$5,305,895 held at 31 December 2019 which is included in the consolidated statement of financial position by using other audit procedures. Consequently, we were unable to determine whether any adjustment to this amount at 31 December 2019 was necessary or whether there was any consequential effect on the cost of sales for the year ended 31 December 2020.

In addition, for the current year, owing to the final timing of managements stock count which took place in May 2021 and the period that passed since the year end, we were unable to observe the counting of physical inventories at the end of the year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 31 December 2020, which are included in the consolidated statement of financial position at \$6,721,462, by using other audit procedures. Consequently, we were unable to determine whether any adjustment to this amount was necessary.

In addition, were any adjustment required to the inventory or related balances, the strategic report would also need to be amended.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs

(UK)) and applicable law. Our responsibilities under those standards are further described in the

Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independent Auditor's Report to the members of Global Tea & Commodities Limited (continued)

For the year ended 31 December 2020

Independence

We are independent of the Group and the Parent 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

As described further in the basis for qualified opinion section of our report, our audit opinion is qualified on the basis we were unable to observe the counting of stock for both the current and prior year. We have concluded that where the other information refers to the stock balance or related balances such as cost of sales or loss for the year, it may be materially misstated for the same reason.

Independent Auditor's Report to the members of Global Tea & Commodities Limited (continued)

For the year ended 31 December 2020

Other Companies Act 2006 reporting

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

Arising solely from the limitation on the scope of our work relating to stock, 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 by the Parent Company.

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 Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities, 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 Group's and the Parent 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 Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the members of Global Tea & Commodities Limited (continued)

For the year ended 31 December 2020

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Procedures performed by the audit team included:

- Discussions with management regarding known or suspected instances of non-compliance with laws and regulations;
- Obtaining an understanding of controls designed to prevent and detect irregularities, including specific consideration of controls and group accounting policies relating to significant accounting estimates;
- Obtaining an understanding of the significant laws and regulations impacting the company;
- Communicating relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit;
- Reviewing minutes of meetings of those charged with governance to identify any instances of non-compliance with laws and regulations;
- Assessing journals entries as part of our planned audit approach, with a particular focus on journal entries to key financial statement areas such as revenue and journals raised after the year end; and
- Consideration of significant management judgements, particularly in respect of the recoverability of receivables.

In addition, the extent to which the audit was capable of detecting irregularities, including fraud was limited by the matter described in the basis for qualified opinion section of our report.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**Independent Auditor's Report to the members of Global Tea
& Commodities Limited (continued)**

For the year ended 31 December 2020

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Steve Le Bas

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Stephen Le Bas (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Southampton, United Kingdom

12 April 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Global Tea & Commodities Ltd
Annual Report and Financial Statements

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2020

	Notes	2020 \$ <i>Discontinued</i>	2020 \$ <i>Continuing</i>	2020 \$ <i>Total</i>	2019 \$ <i>Discontinued</i>	Restated 2019 \$ <i>Continuing</i>	Restated 2019 \$ <i>Total</i>
Revenue	3	106,192	193,632,281	193,738,473	739,132	192,207,675	192,946,807
Cost of sales		(117,823)	(178,707,389)	(178,825,212)	(776,102)	(177,118,784)	(177,894,886)
Gross (loss)/profit		(11,631)	14,924,892	14,913,261	(36,970)	15,088,891	15,051,921
Administrative expenses		-	(14,226,609)	(14,226,609)	-	(12,211,039)	(12,211,039)
Loss on disposal of dairy operations	33	(1,543,255)	-	(1,543,255)	-	-	-
Other operating income		-	1,059,075	1,059,075	-	975,640	975,640
Change in the fair value of biological assets	14	-	(219,633)	(219,633)	-	640,176	640,176
Impairment of investments	16	-	-	-	-	(3,300,000)	(3,300,000)
Operating (loss)/profit	4	(1,554,886)	1,537,725	(17,161)	(36,970)	1,193,668	1,156,698
Finance income	8	-	373,205	373,205	-	446,616	446,616
Finance costs	9	-	(3,271,885)	(3,271,885)	-	(3,260,655)	(3,260,655)
Other gains and (losses)	10	-	33,463	33,463	-	15,491	15,491
Loss before taxation		(1,554,886)	(1,327,492)	(2,882,378)	(36,970)	(1,604,880)	(1,641,850)
Taxation	11	466,466	768,954	1,235,420	11,091	(1,049,488)	(1,038,397)
Loss for the year		(1,088,420)	(558,538)	(1,646,958)	(25,879)	(2,654,368)	(2,680,247)

Global Tea & Commodities Ltd
Annual Report and Financial Statements

Consolidated Statement of Comprehensive Income (continued)

For the year ended 31 December 2020

	2020 \$ Total	2019 \$ Total
Other comprehensive income:		
<i>Items that will not be reclassified to profit or loss:</i>		
Gain on property revaluation	167,989	32,874,915
Deferred tax on property revaluation	(47,218)	(11,997,713)
Exchange difference of revaluation reserve deferred tax	677,975	-
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on translation of foreign operations	(13,442)	3,718
Other comprehensive income for the year	785,304	20,880,920
Total comprehensive (expense)/income for the year	(861,654)	18,200,673
Loss for the year, attributable to:		
Equity owners of the parent	(1,649,588)	(2,686,895)
Non-controlling interests	2,630	6,648
	(1,646,958)	(2,680,247)
Total comprehensive (expense)/income, attributable to:		
Equity owners of the parent	(864,284)	18,194,025
Non-controlling interests	2,630	6,648
	(861,654)	18,200,673

The notes on pages 19 to 49 form part of these financial statements.

Global Tea & Commodities Ltd
Annual Report and Financial Statements
Company number 2654245

Consolidated Statement of Financial Position

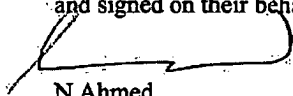
As at 31 December 2020

	Notes	2020 \$	Restated 2019 \$
ASSETS			
Non-current assets			
Right-of-use assets	12	849,231	944,930
Property, plant and equipment	13	73,169,003	64,007,023
Interest in lease	18	1,578,612	3,117,243
Biological assets – non-current	14	-	120,780
Investments	16	3,164,085	3,164,085
Deferred tax asset	27	967,879	521,953
Trade and other receivables	19	5,391,232	5,263,623
		<u>85,120,042</u>	<u>77,139,637</u>
Current assets			
Inventories	17	25,978,256	27,273,363
Interest in lease	18	1,631,580	1,542,731
Biological assets - current	14	1,184,804	1,403,850
Trade and other receivables	19	19,106,519	33,670,093
Cash and bank balances	20	1,163,702	1,173,821
		<u>49,064,861</u>	<u>65,063,858</u>
Total assets		<u>134,184,903</u>	<u>142,203,495</u>
LIABILITIES			
Current liabilities			
Trade and other payables	21	21,890,033	20,968,858
Lease liabilities	25	2,408,097	1,972,201
Current tax liabilities		898,324	674,762
Borrowings	22	35,122,448	38,708,991
		<u>60,318,902</u>	<u>62,324,812</u>
Non-current liabilities			
Trade and other payables	21	317,755	73,541
Borrowings	22	5,177,197	7,022,276
Lease liabilities	25	2,411,402	3,985,171
Derivative financial instruments	26	19,086	125,465
Deferred tax liabilities	27	16,044,838	17,914,853
		<u>23,970,278</u>	<u>29,121,306</u>
Total liabilities		<u>84,289,180</u>	<u>91,446,118</u>
Net assets		<u>49,895,723</u>	<u>50,757,377</u>
EQUITY			
Attributable to owners of the parent:			
Share capital	28	9,740,472	9,740,472
Share premium		3,648,302	3,648,302
Capital reserves		1,358,762	1,358,762
Revaluation reserves		29,104,261	31,200,586
Translation reserves		(135,225)	(115,507)
Retained earnings		6,130,087	4,878,328
Total equity attributable to shareholders		<u>49,846,659</u>	<u>50,710,943</u>
Non-controlling interests		49,064	46,434
Total equity		<u>49,895,723</u>	<u>50,757,377</u>

Consolidated Statement of Financial Position

As at 31 December 2020

The financial statements were approved by the Board of Directors and authorised for issue on 12 April 2022
and signed on their behalf by:



N Ahmed

Director

The notes on pages 19 to 49 form part of these financial statements.

Global Tea & Commodities Ltd
Annual Report and Financial Statements

Consolidated Statement of Changes in Equity

For the year ended 31 December 2020

	Share capital	Share premium	Capital reserves	Revaluation reserve	Translation reserve	Retained earnings	Total equity attributable to owners of the parent	Non- controlling interests	Total equity
	\$	\$	\$	\$	\$	\$	\$	\$	\$
At 31 December 2018	9,740,472	3,648,302	1,358,762	10,416,888	(118,907)	7,471,401	32,516,918	39,786	32,556,704
Profit/(loss) for the year	-	-	-	10,976	(318)	(2,697,553)	(2,686,895)	6,648	(2,680,247)
Other comprehensive income	-	-	-	20,877,202	3,718	-	20,880,920	-	20,880,920
Total comprehensive income	-	-	-	20,888,178	3,400	(2,697,553)	18,194,025	6,648	18,200,673
Transfer of depreciation from revaluation reserve	-	-	-	(149,257)	-	149,257	-	-	-
Deferred tax adjustment	-	-	-	44,777	-	(44,777)	-	-	-
At 31 December 2019	9,740,472	3,648,302	1,358,762	31,200,586	(115,507)	4,878,328	50,710,943	46,434	50,757,377
Profit/(loss) for the year	-	-	-	-	(6,276)	(1,643,312)	(1,649,588)	2,630	(1,646,958)
Other comprehensive income	-	-	-	798,746	(13,442)	-	785,304	-	785,304
Total comprehensive income	-	-	-	798,746	(19,718)	(1,643,312)	(864,284)	2,630	(861,654)
Transfer of depreciation from revaluation reserve	-	-	-	(1,375,893)	-	1,375,893	-	-	-
Transfer from revaluation on disposal	-	-	-	(1,519,178)	-	1,519,178	-	-	-
At 31 December 2020	9,740,472	3,648,302	1,358,762	29,104,261	(135,225)	6,130,087	49,846,659	49,064	49,895,723

The notes on pages 19 to 49 form part of these financial statements.

Global Tea & Commodities Ltd
Annual Report and Financial Statements

Consolidated Statement of Cash Flows

for the year ended 31 December 2020

	2020	2019
	\$	\$
Cash flow from operating activities		
Loss for the year	(1,646,958)	(2,680,247)
<i>Adjustment for:</i>		
Finance income	(373,205)	(446,616)
Finance costs	3,271,885	3,260,655
Other (gains) and losses	(33,463)	(15,491)
Taxation	(1,235,420)	1,038,397
Depreciation of property, plant and equipment	3,195,847	1,650,051
Impairment of investments	-	3,300,000
Profit on disposal of property, plant and equipment	(38,460)	(39,974)
Loss on disposal of dairy operations	1,543,255	-
Impairment of tangible assets	86,890	61,892
Change in fair value of biological assets	219,633	(640,176)
Exchange adjustment	(76,743)	(184,741)
<i>Changes in working capital:</i>		
Decrease/(increase) in inventories	966,201	(5,961,946)
Decrease/(increase) in trade and other receivables	1,086,720	(3,189,616)
Increase in trade and other payables	1,624,009	846,535
Cash generated/(used in) from operations	8,590,191	(3,001,277)
Income tax paid	(216,079)	(176,677)
Net cash from/(used in) operating activities	8,374,112	(3,177,954)
Cash flow from investing activities		
Purchase of property, plant and equipment	(1,084,929)	(788,144)
Proceeds from disposal of property, plant and equipment	47,849	2,821
Proceeds from disposal of biological assets	54,689	54,693
Sale of business activities	850,000	-
Receipts from leased assets	1,545,458	1,871,565
Interest received	584	127,290
Dividends received	-	-
Net cash used in investing activities	1,413,651	1,268,225
Cash flow from financing activities		
(Decrease)/increase in trade finance & guarantees	(3,537,213)	1,798,198
Repayment of lease liabilities	(1,137,873)	(1,498,497)
Receipt of new bank loans	500,000	3,119,479
Repayment of borrowings	(2,432,668)	(1,158,447)
Interest paid	(3,343,747)	(3,230,651)
Net receipt/(payment) of other long term payables	-	(1,960)
Net cash (used in)/generated from financing activities	(9,951,501)	(971,878)
(Decrease)/increase in cash and cash equivalents	(163,738)	(2,881,607)
Cash and cash equivalents at beginning of the year	(9,016,235)	(6,130,676)
Effect of foreign exchange rate movements	115,360	(3,952)
Cash and cash equivalents at end of year (note 20)	(9,064,613)	(9,016,235)

The notes on pages 19 to 49 form part of these financial statements.

Notes to the Financial Statements

for the year ended 31 December 2020

1. Corporate information

Global Tea & Commodities Ltd is a company limited by shares and incorporated in England and Wales. The registered address of the Company is 1 Duchess Street, London, W1W 6AN.

The consolidated financial statements incorporate the financial statements of the Company and entities (its subsidiaries) controlled by the Company (collectively comprising the Group) and the Group's interest in associates.

The principal activities of the Group are included in the Directors' Report on page 5.

2. Accounting policies

2.1. Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006.

Basis of measurement

The financial statements have been prepared on the historical cost basis, except for certain properties, financial instruments and biological assets that are measured at revalued amounts or fair values at the end of each reporting period.

Going concern

The directors have prepared detailed forecasts for the period to 31 December 2026 which includes a review of the group's covenant compliance over this period.

The group is forecasting profitability in 2021 and for the period to 31 December 2026 and is forecast to be cash generative over this period.

At year end the group has a number of banking covenants to comply with. Based on the 2020 statutory accounts some of these covenants have been breached. The relevant banks who have confirmed that there continued support of the Group and have provided covenants waivers for the 2020 breaches. They have also confirmed waivers are in place if there are breaches in the 2021 covenant testing.

The directors have concluded that based on correspondence with the banks they are confident and fully expect the banks continued support of the Group. Therefore the directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Functional and presentational currency

The financial statements are presented in US Dollars. The Company's functional currency is also US Dollars as this is the currency of the primary economic environment in which the Company operates. The spot exchange rate at 31 December 2020 for sterling to US Dollars was 1.37 (2019: 1.33).

Use of estimates and judgements

The preparation of the financial statements in conformity with international accounting standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in Note 2.20.

2.2. Foreign currency

Transactions in foreign currencies are translated into the respective functional currencies of the operations at the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at each reporting date are translated into the functional currency at the spot exchange rates as at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognised in profit or loss.

On consolidation, the assets and liabilities of foreign subsidiaries are translated into US Dollars at the rate of exchange prevailing at the reporting date and their statements of comprehensive income are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign subsidiary, the component of other comprehensive income relating to that particular foreign subsidiary is recognised in profit or loss.

Any goodwill arising on the acquisition of foreign subsidiaries and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign subsidiaries and translated at the spot rate of exchange at the reporting date.

2.3. Basis of consolidation

The Group financial statements consolidate those of the Parent Company and the subsidiaries that the Parent has control. Control is established when the Parent is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

Where a subsidiary is acquired/disposed of during the year, the consolidated profits or losses are recognised from/until the effective date of the acquisition/disposal.

All inter-company balances and transactions between group companies have been eliminated on consolidation.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net asset that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interest based on their respective ownership interests.

2.4. Business combinations

The Group applies the acquisition method of accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair value of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group. Acquisition costs are expensed as incurred.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

2.4. Business combinations (continued)

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquired subsidiary's financial statements prior to the acquisition. Assets acquired and liabilities assumed are measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the fair value of consideration transferred, over the Group's share of the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

2.5. Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting.

Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

2.6. Revenue

Revenue is derived from the trading of loose tea, coffee beans and macadamia nuts and the sale of packaged tea.

Revenue represents the amount receivable for the provision of services and the sale of goods during the year, excluding VAT and trade discounts. Revenue is recognised to the extent that it is probable that economic benefits will flow to the Group and the revenue can be measured reliably.

2.7. Income tax

Current income tax assets and/or liabilities comprise obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid/due at the reporting date. Current tax is payable on taxable profits, which may differ from profit or loss in the financial statements. Calculation of current tax is based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting period.

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). However, for deductible temporary differences associated with investments in subsidiaries and associates a deferred tax asset is recognised when the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

2.8. Property plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at cost or their revalued amounts, being their cost or fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the balance sheet date.

Any revaluation increase arising on the revaluation of property, plant and equipment is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is credited to the income statement to the extent of the decrease previously expensed. A decrease in carrying amount arising on the revaluation of such land and buildings is charged as an expense to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

Properties in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is not depreciated.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and assets under construction) less their residual values over their useful lives, using the straight-line method, on the following bases:

Leasehold land and property	over the remaining lease period
Semi-permanent buildings	over 10 years
Permanent buildings	over 50 years
Tea nursery structures	over 3 years
Motor vehicles	over 5 years
Fixtures, fittings & equipment	over 5 years
Plant and machinery	over 15 years
Bearer plants	10 to 37 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrapping of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

2.9. Investment property

Investment properties are long term investments in land and buildings that are not occupied substantially for own use. Investment properties are initially recognised at cost and subsequently stated at fair value representing open market value at the reporting date. Changes in fair value are recorded in profit or loss.

Subsequent expenditure on investment properties where such expenditure increases the future economic value in excess of the original assessed standard of performance is added to the carrying amount of the investment property. All other expenditure is recognised as an expense in the year in which it is incurred.

Gains and losses on disposal of investment properties are determined by reference to their carrying amount and are taken into account in determining operating profit/(loss).

2.10. Biological assets

Biological assets: non current

Biological assets that do not meet the definition of bearer plants are measured on initial recognition and at the end of each reporting period at fair value less cost to sell, unless fair value cannot be measured reliably.

Where the Group cannot obtain a reliable fair value, biological assets are measured at cost less accumulated depreciation.

Biological assets: current

Produce is valued using market based approaches or on the basis of net present values of expected future cash flows and includes certain assumptions about yields, selling prices, costs and discount rates. As the crop is harvested it is transferred to inventory at fair value.

2.11. Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash flows. As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An asset or cash-generating unit is impaired when its carrying amount exceeds its recoverable amount. The recoverable amount is measured as the higher of fair value less cost of disposal and value in use. The value in use is calculated as being net projected cash flows based on financial forecasts discounted back to present value.

The impairment loss is allocated to reduce the carrying amount of the asset, first against the carrying amount of any goodwill allocated to the cash-generating unit, and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

2.12. Inventories

Agricultural produce is included within inventory and largely comprises stock of coffee and macadamia nuts. In accordance with IAS 41, on initial recognition, agricultural produce is required to be measured at fair value less estimated point of sale costs.

Other inventories are measured at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.13. Financial instruments

Financial instruments are recognised on the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument. Financial instruments are initially recognised at fair value adjusted for any directly attributable transaction costs.

Financial assets carried at amortised cost

Financial assets carried at amortised cost are classified as loans and receivables and comprise trade and other receivables and cash and cash equivalents. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss on loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and reward are transferred.

Investments in equity interests

Investments in equity interests are classified as available for sale financial assets ('AFS'). These AFS equity investments do not have a quoted market price in an active market and the fair value cannot be reliably measured and therefore are measured at cost.

Dividends receivable on AFS equity instruments are recognised in profit or loss when the right to receive the dividend is established.

Financial liabilities carried at amortised cost

These financial liabilities include trade and other payables and borrowings. Financial liabilities are initially recognised at fair value adjusted for any directly attributable transaction costs.

After initial recognition, financial liabilities are measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

Financial assets and liabilities at fair value through profit or loss

The Group uses cross currency swaps to reduce its exposure to risks from interest rates and foreign exchange movements. Such financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

2.14. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, other short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in the statement of financial position.

2.15. Employee retirement benefits

The Group operates defined contribution schemes. Payments into the scheme are recognised as an expense when employees have rendered services entitling them to the scheme.

2.16. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.17. Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for leases of low value assets; and leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes: amounts expected to be payable under any residual value guarantee; the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option; and any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for: lease payments made at or before commencement of the lease; initial direct costs incurred; and the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

Where the company acts as a lessor and it is deemed that the risks and rewards of ownership have been substantially transferred then the company will recognise an interest in the lease, this being the present value of future lease receipts discounted at the interest rate implicit in the lease or, if this is not specified, at the company's incremental borrowing rate. The finance lease receivable will be increased by the interest received less payments made by the lessee.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

2.18. Government grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Government grants relating to property, plant and equipment are treated as deferred income and released to profit or loss over the expected useful lives of the assets concerned.

2.19. Equity and reserves

Share capital represents the nominal value of shares that have been issued.

Share premium account represents the difference between the nominal value of shares issued and the issue price.

The capital reserve arose on the conversion of 'B' ordinary shares.

Translation reserve represents the cumulative foreign exchange differences arising on the translation of foreign operations and subsidiaries.

Revaluation reserves are stated net of deferred tax calculated in accordance with the tax regulations of the jurisdiction in which they arise and represent cumulative gains net of losses on revaluation of property, plant and equipment. The reserve is not considered to be distributable to the shareholders.

Retained earnings include all current and prior period retained profits.

2.20. Significant management judgements in applying accounting policies and estimation uncertainty

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Group that have the most effect on the financial statements.

Recognition of deferred tax assets

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on the recognition of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and using an interest rate to discount them. Estimation uncertainty relates to the assumptions about future operating results and the determination of a suitable discount rate.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

2.20. Significant management judgements in applying accounting policies and estimation uncertainty (continued)

Fair value measurement

Management uses valuation techniques to determine the fair value of assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management base the assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual process that would be achievable in arm's length transactions at the reporting date.

Determining residual values and useful economic lives of fixed assets

Certain property, plant and equipment is depreciated over its estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Recoverability of receivables

A provision for receivables is established where it is estimated that the receivables are not considered to be fully recoverable. When assessing recoverability the directors consider factors such as the ageing of receivables, past experience of recoverability, and the credit profile of the counterparty from whom the debt is owed.

2.21. Standards, amendments and interpretations adopted in the current financial year ended 31 December 2020

There are no new standards and amended standards and interpretations issued by the IASB that have impacted the 2020 financial statements and new standards that will apply for the first time in the next annual financial statements are not expected to impact the Company as they are either not relevant to the Company's activities or require accounting which is consistent with the Company's current accounting policies.

2.22. Standards, amendments and interpretations in issue but not yet effective

At the date of adoption of these financial statements, there are no new Standards, or amendments to existing Standards, that have been published by the International Accounting Standards Board that are not effective.

2.23 Change in accounting policy

The directors have reviewed the accounting policy in relation to IAS16 and based on their review have concluded that the immature bearer plants should be held at cost rather than their revalued amount. Under the requirements of IAS8 they conclude this revised accounting policy provides more reliable and relevant information as to the substance of these transactions.

As a result of this change in policy the value of bearer plants at 31 December 2019 have reduced by \$5,644,853, deferred tax liabilities have reduced by \$1,693,456 and revaluation reserves have reduced by \$3,951,397 in the prior year. There has been no impact on the 2019 profit after tax, but other comprehensive income has reduced by \$3,951,397. Net assets at 31 December 2019 have also reduced by \$3,951,397.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

3. Revenue

All of the Group's revenue relates to the sale of goods.

Revenue can be analysed by commodity as follows:

	2020	2019
	\$	\$
Tea	182,927,428	179,277,438
Macadamia	8,769,510	11,480,979
Coffee	1,590,913	1,449,261
Dairy	106,192	739,129
Machinery	344,430	-
	<u>193,738,473</u>	<u>192,946,807</u>

Revenue can be analysed by geographical area as follows:

	2020	2019
	\$	\$
Asia	142,714,266	141,281,552
Africa	24,400,091	31,045,966
United Kingdom	10,560,217	7,256,175
Europe	5,729,516	6,385,328
North America	3,301,411	5,095,080
South America	4,088,429	-
Middle East	2,944,543	1,882,706
	<u>193,738,473</u>	<u>192,946,807</u>

4. Operating profit

	2020	2019
	\$	\$
Operating profit is stated after charging/(crediting):		
Depreciation of property, plant and equipment	3,100,148	1,637,990
Depreciation of right-of-use assets	95,699	12,061
Impairment of property, plant and equipment	86,890	61,892
Profit on disposal of property, plant and equipment	(38,460)	(39,974)
Cost of inventories recognised as expense	152,876,701	160,343,200
Net foreign exchange loss/(gain)	<u>353,853</u>	<u>(735,773)</u>

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

5. Auditor's remuneration

The analysis of the auditor's remuneration is as follows:

	2020 \$	2019 \$
Fees payable to the company's auditor and their associates for the audit of the company's annual accounts	89,661	75,654
Fees payable to the company's auditor and their associates for other services to the Group		
- Audit of the Company's subsidiaries	50,721	10,754
Total audit fees	140,382	86,408
- Taxation advisory services	9,698	9,602
- Other	-	-
Total non-audit fees	9,698	9,602

6. Directors' remuneration

	2020 \$	2019 \$
Directors' emoluments	870,623	807,907
Pension contributions	33,122	35,909
	903,745	843,816

The number of directors for whom entitlements are accruing under the money purchase pension scheme is 3 (2019: 3).

The aggregate of emoluments and amounts receivable under long term incentive scheme of the highest paid director was \$370,723 (2019: \$351,660), and pension contributions of \$nil (2019: \$7,827) were made to a money purchase scheme on his behalf.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

7. Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2020	2019
	Number	Number
Production and distribution	2,954	3,471
Administration	201	199
Sales and marketing	61	62
	<u>3,216</u>	<u>3,732</u>

Employment costs

	2020	2019
	\$	\$
Wages and salaries	6,822,590	7,061,447
Social security costs	183,226	164,664
Pension costs	127,025	161,299
	<u>7,132,841</u>	<u>7,387,410</u>

8. Finance income

	2020	2019
	\$	\$
Interest on bank deposits	584	1,064
Interest on leased assets	95,676	121,952
Other interest	276,945	323,600
Dividends received	-	-
	<u>373,205</u>	<u>446,616</u>

9. Finance costs

	2020	2019
	\$	\$
Interest on bank overdrafts and bank loans	3,122,422	3,128,327
Interest on obligations under finance leases	149,463	132,328
	<u>3,271,885</u>	<u>3,260,655</u>

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

10. Other gains and (losses)

	2020 \$	2019 \$
Foreign exchange (loss)/gain on retranslation of hedged bank loan	(72,916)	(173,925)
Fair value profit/(loss) on cross currency swap (note 26)	106,379	189,416
	<u>33,463</u>	<u>15,491</u>

11. Income tax

	2020 \$	2019 \$
Corporation tax:		
Current year	355,626	679,938
Adjustments in respect of prior years	87,862	193
	<u>443,488</u>	<u>680,131</u>
Deferred tax:		
Current year	(1,523,863)	381,542
Currency adjustment	(155,045)	(23,276)
	<u>(1,678,908)</u>	<u>358,266</u>
Total tax (credit)/expense	<u>(1,235,420)</u>	<u>1,038,397</u>

The tax rate used for the reconciliation is the corporate tax rate of 19.00% (2019: 19.00%) payable by the corporate entities in the UK on taxable profits under UK tax law.

The total tax (credit)/expense for the year can be reconciled to the profit for the year as follows:

	2020 \$	2019 \$
(Loss)/profit before taxation	<u>(2,882,378)</u>	<u>(1,641,850)</u>
Income tax calculated at 19.00% (2019: 19.00 %)	(547,652)	(311,952)
Expenses not deductible for tax	396,454	1,179,301
Depreciation for period in deficit of capital allowances	19,692	15,492
Short term timing differences	(136,399)	63,636
Utilisation of tax losses	(336,220)	(39,996)
Adjustments to tax charge in respect of previous periods	87,862	193
Differences in tax rates on overseas earnings	(473,579)	126,980
Exchange adjustment	(190,509)	3,016
Other	(55,069)	1,727
Total tax expense	<u>(1,235,420)</u>	<u>1,038,397</u>

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Notes to the Financial Statements (continued)
for the year ended 31 December 2020

12. Right-of-use assets

Group and Company	2020
<i>Deemed Cost:</i>	\$
At 1 January 2020	956,991
Additions in the year	-
At 31 December 2020	956,991
<i>Accumulated depreciation</i>	
At 1 January 2020	12,061
Depreciation for the year	95,699
At 31 December 2020	107,760
<i>Net book value</i>	
At 31 December 2020	849,231
At 31 December 2019	944,930

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

13. Property, plant and equipment restated

	Land	Buildings & construction	Short term leasehold improvements	Plant & machinery	Tractors & agricultural equipment	Motor vehicles	Fixtures, fittings & equipment	Assets in the course of construction	Bearer plants	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost or valuation										
As at 1 January 2019	10,874,791	5,936,161	63,005	9,071,182	1,123,941	2,215,969	1,132,125	144,943	10,122,430	40,684,547
Additions	-	19,903	17,514	163,224	49,816	104,843	54,358	74,513	303,974	788,145
Revaluation - restated	11,098,840	(297,572)	-	21,199	(548,152)	(79,331)	(18,550)	-	18,850,348	29,026,782
Transfers	-	-	-	126,783	74,513	(213)	639	(201,934)	-	(212)
Disposals	-	-	-	-	-	(13,436)	-	-	-	(13,436)
Impairment	-	-	-	-	-	-	-	-	(128,195)	(128,195)
Currency adjustment	-	-	-	4,503	-	1,840	1,111	-	-	7,454
As at 31 December 2019 - restated	21,973,631	5,658,492	80,519	9,386,891	700,118	2,229,672	1,169,683	17,522	29,148,557	70,365,085
Additions	-	-	-	13,694,183	-	104,812	68,527	119,284	383,464	14,370,270
Revaluation	(43,466)	(37,073)	-	-	-	-	-	-	-	(80,539)
Transfers	-	-	-	28,566	74,097	-	(873)	(101,790)	-	-
Disposals	(1,574,893)	(160,309)	-	(395,035)	-	(106,600)	(2,286)	-	(57,639)	(2,296,762)
Impairment	-	-	-	-	-	(27,014)	(6,491)	-	-	(33,505)
Currency adjustment	-	-	-	(74,343)	-	(27,203)	(18,982)	-	-	(120,528)
As at 31 December 2020	20,355,272	5,461,110	80,519	22,640,262	774,215	2,173,667	1,209,578	35,016	29,474,382	82,204,021

Notes to the Financial Statements (continued)
for the year ended 31 December 2020

13. Property, plant and equipment restated (continued)

	Land	Buildings & construction	Short term leasehold improvements	Plant & machinery	Tractors & agricultural equipment	Motor vehicles	Fixtures, fittings & equipment	Assets in the course of construction	Bearer plants	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Depreciation										
At 1 January 2019	-	255,279	63,005	4,100,748	466,278	1,505,110	781,059	-	1,472,019	8,643,498
Charge	132,004	165,670	1,163	602,741	81,446	175,216	69,420	-	410,330	1,637,990
Impairment	-	-	-	-	-	-	-	-	(66,303)	(66,303)
Transfers	-	-	-	-	-	(213)	-	-	-	(213)
Revaluation	(132,004)	(353,093)	-	(725,911)	(547,724)	(199,214)	(74,140)	-	(1,816,046)	(3,848,132)
Disposals	-	-	-	-	-	(12,946)	-	-	-	(12,946)
Currency adjustment	-	-	-	2,184	-	1,307	677	-	-	4,168
As at 31 December 2019	-	67,856	64,168	3,979,762	-	1,469,260	777,016	-	-	6,358,062
Charge	145,486	192,758	1,745	1,083,152	396,861	228,808	135,650	-	915,688	3,100,148
Impairment	-	-	-	-	-	-	(4,253)	-	-	(4,253)
Transfers	-	-	-	-	-	-	-	-	-	-
Revaluation	(59,195)	(189,333)	-	-	-	-	-	-	-	(248,528)
Disposals	-	(1,531)	-	(6,058)	-	(97,259)	(312)	-	-	(105,160)
Currency adjustment	-	-	-	(34,190)	-	(20,465)	(10,596)	-	-	(65,251)
As at 31 December 2020	86,291	69,750	65,913	5,022,666	396,861	1,580,344	897,505	-	915,688	9,035,018
Carrying amount										
As at 31 December 2020	20,268,981	5,391,360	14,606	17,617,596	377,354	593,323	312,073	35,016	28,558,694	73,169,003
As at 31 December 2019 restated	21,973,631	5,590,636	16,351	5,407,129	700,118	760,412	392,667	17,522	29,148,557	64,007,023

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

13. Property, plant and equipment (continued)

The net book value of assets held under finance leases is as follows

	2020	2019	2018
	\$	\$	\$
Plant & Machinery	-	-	-
Motor Vehicles	-	-	25,710
	<u>-</u>	<u>-</u>	<u>25,710</u>

The depreciation charged on assets held under finance leases was \$Nil (2019: \$nil).

The Company did not have any capital commitments at the balance sheet date (2019: Nil).

Fair value measurement of the Group's property, plant and equipment

Certain of the group's property, plant and equipment are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value measurements of the Group's property, plant and equipment in Malawi as at 31 December 2019 was performed by Charles Chifambe, MRICS, a qualified valuer of Interval Services (Proprietary) Limited, Botswana. The valuation conforms to International Valuation Standards.

The fair value of certain property, plant and equipment was determined based on market value assuming continuing present usage. The resultant revaluation gains/losses are taken to revaluation reserve and are not available for distribution until realised. There has been no change to the valuation technique during the year.

The fair value of land and buildings in Kenya was determined by reference to the market prices of similar properties of the same type and in the area in which the property is situated. The valuation was carried out by Elite Africa Valuers Limited, an independent professional valuer with recent experience in the location and category of property being valued. The revaluation was carried out on 15 December 2020.

The fair revaluation of investment property is considered to represent level 3 valuation based on significant non-observable inputs being the location and condition of the property. Management does not expect there to be a material sensitivity to the fair values arising from the non-observable inputs. There were no transfers between levels 1, 2 or 3 fair values during the year.

Had these items of property, plant and equipment been measured at the historical basis, the carrying amount would be as follows, note there is no difference reported for short term leasehold improvements and assets in the course of construction which are measured at historic cost.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

13. Property, plant and equipment (continued)

	2020 \$	Restated 2019 \$
<i>At revaluation</i>		
Land	20,268,981	21,973,631
Building & construction	5,391,361	5,590,636
Plant and machinery	17,617,596	5,407,129
Tractors & agricultural equipment	377,354	700,118
Motor vehicles	593,322	760,412
Fixtures, fittings & equipment	312,072	392,667
Bearer plants	28,558,694	29,148,557
	<u>73,119,380</u>	<u>63,973,150</u>
<i>At cost</i>		
Land	1,483,796	1,353,672
Building & construction	2,350,353	2,168,326
Plant and machinery	16,893,677	3,829,593
Tractors & agricultural equipment	524,539	519,849
Motor vehicles	629,172	685,577
Fixtures, fittings & equipment	302,938	307,565
Bearer plants	8,477,015	8,482,163
	<u>30,661,490</u>	<u>17,346,745</u>

14. Biological assets

	Macadamia \$	Livestock \$	Total \$
As at 1 January 2019	812,715	135,208	947,923
Currency adjustment	(7,524)	(1,252)	(8,776)
Fair value adjustment	598,659	41,517	640,176
Disposals	-	(54,693)	(54,693)
As at 31 December 2019	1,403,850	120,780	1,524,630
Currency adjustment	(62,896)	(2,608)	(65,504)
Fair value adjustment	(156,150)	(63,483)	(219,633)
Disposals	-	(54,689)	(54,689)
As at 31 December 2020	1,184,804	-	1,184,804
	2020 \$	2019 \$	
Biological assets -non-current	-	120,780	
Biological assets -current	1,184,804	1,403,850	
	<u>1,184,804</u>	<u>1,524,630</u>	

The biological assets comprise dairy livestock and the unharvested value of macadamia nuts.

Livestock have been valued using current market prices.

Macadamia nuts have been valued using the value of macadamia nuts harvested between January 2020 and March 2020.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

14. Biological assets (continued.)

Fair value movement in biological assets

	2020	2019
	\$	\$
Macadamia	(156,150)	598,659
Dairy livestock	(63,483)	41,517
Net fair value surplus in the year	<u>(219,633)</u>	<u>640,176</u>

As at the year end, there were no capital commitments for the development or acquisition of biological assets.

There are no financial risk management strategies related to agricultural activity.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

15. Subsidiaries

The group consists of the parent company, Global Tea & Commodities Ltd, incorporated in the UK, a number of subsidiaries held directly and indirectly by Global Tea & Commodities Ltd, and two companies not formally owned by Global Tea & Commodities Ltd but over which Global Tea & Commodities Ltd exercises full management and control.

Information about the composition of the Group at the end of the reporting period is as follows:

Company	Country of registration or incorporation	Nature of business	Percentage shareholding
Global Tea & Commodities (Kenya) Limited	Kenya	Trading	100%
Sable Farming Company Limited	Malawi	Plantation	100%
Global Tea & Commodities (Malawi) Limited	Great Britain	Trading	100%
Gold Crown Beverages (Kenya) Limited	Kenya	Manufacture	100%
Gold Crown Foods (EPZ) Limited	Kenya	Manufacture	100%
Tea Brokers Central Africa Limited	Malawi	Tea Broking	82%
Gold Crown Speciality Foods Limited	Great Britain	Manufacture	100%
Wilson Smithett & Company Limited	Great Britain	Holding	100%
Gold Crown Foods (Tanzania) Limited	Tanzania	Dormant	100%
Global Foods Limited	Somaliland	Distribution	0%
Barsha Tea Packaging and Distribution Enterprises	Sudan	Distribution	0%

The registered office of Global Tea & Commodities (Kenya) Limited, Gold Crown Beverages (Kenya) Limited and Gold Crown foods (EPZ) Limited is P.O. Box 98459, Chai Street, Mombasa, Kenya

The registered office of Global Tea & Commodities (Malawi) Limited, Gold Crown Speciality Foods Limited and Wilson Smithett Company Limited is 1 Duchess Street, London W1W 6AN

The registered office of Sable Farming Company Limited is P.O. Box 51199, Limbe, Malawi

The registered office of Tea Brokers Central Africa Limited is P.O. Box 5543, Limbe, Malawi

The registered office of Gold Crown Foods (Tanzania) Limited is Peugeot House, P.O. Box 79651, Dar es Salaam, Tanzania

The registered office of Global Foods Limited is East Berbera, Hargeisa, Somaliland

The registered office of Barsha Tea Packaging and Distribution Enterprises is BL NO-4392, SR NO-34, Al Souk Al Mahalli, Khartoum, Sudan

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

16. Investments

	2020	2019
	\$	\$
Investment in associates	26,098	26,098
Other participating interests	3,134,874	3,134,874
Equity investments	3,113	3,113
	<u>3,164,085</u>	<u>3,164,085</u>

The Group has an associate interest of a 33% shareholding in Blue Mountain Tea & Commodities Limited, which is a trading company incorporated in India. The group has not accounted for Blue Mountain Tea & Commodities Limited as an associate and the investment is held at cost on the grounds of materiality.

The Group has a participating interest by way of a 5% shareholding in Anglo-Dal Trading Sp. z.o.o, which is a trading company incorporated in Poland at a cost of \$5,000.

The Group has a participating interest by way of a 6.8% shareholding in Typhoo Tea Limited, a company incorporated in Great Britain at a cost of \$6,429,874. At the previous year end the directors impaired this investment by \$3,300,000 to its recoverable amount. There was no further impairment in the current year. The carrying value of the investment is \$3,129,874.

Gold Crown Beverages (Kenya) Limited holds shares in Uchumi Supermarket Limited at a cost of \$3,113. Uchumi Supermarket Limited is listed on the Nairobi Securities Exchange.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

17. Inventories

	2020	2019
	\$	\$
Raw materials	18,482,488	20,952,341
Work in progress	495,486	631,374
Finished goods	7,000,282	5,689,648
	<u>25,978,256</u>	<u>27,273,363</u>

18. Interest in lease

	2020
	\$
Group and Company	
At 1 January 2020	4,659,974
Interest income for the year	95,676
Lease receipts	(1,545,458)
At 31 December 2020	<u>3,210,192</u>

	2020
	\$
Group and Company	
Due after more than one year	1,578,612
Due within one year	1,631,580
At 31 December 2020	<u>3,210,192</u>

The premises shown above are sub-let to third parties under a lease which has the same terms and conditions as the Company's own lease.

19. Trade and other receivables

	2020	2019
	\$	\$
Current		
Trade receivables	12,851,631	29,033,504
VAT recoverable	383,708	143,528
Other receivables	3,304,865	2,775,288
Directors' loan accounts	89,432	66,378
Accrued interest receivable	783,728	482,875
Prepayments and accrued income	1,693,155	1,168,520
	<u>19,106,519</u>	<u>33,670,093</u>
Non-current		
Other receivables	<u>5,391,232</u>	<u>5,263,623</u>

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

19. Trade and other receivables (continued)

The movement in the allowance for doubtful debts during the year is as follows:

	2020	2019
	\$	\$
Balance at 1 January	682,847	422,939
Impairment loss made during the year	227,985	263,083
Reversal of impairment loss	-	(5,011)
Currency adjustments	(65,993)	1,836
Balance at 31 December	<u>844,898</u>	<u>682,847</u>

Debts that are past due, but not impaired are analysed as follows:

	2020	2019
	\$	\$
0-30 days	2,516,276	1,816,985
30-60 days	746,122	322,832
60-90 days	294,340	326,570
90-120 days	778,057	438,352
+120 days	2,836,679	5,917,136
	<u>7,171,474</u>	<u>8,821,875</u>

The Company does not hold full collateral over the above and the directors consider that the carrying amount of trade and other receivables approximates to their fair value.

20. Cash and cash equivalents

	2020	2019
	\$	\$
Cash and bank balances	1,163,702	1,173,821
Bank overdraft (note 22)	<u>(10,228,315)</u>	<u>(10,190,056)</u>
	<u>(9,064,613)</u>	<u>(9,016,235)</u>

21. Trade and other payables

	2020	2019
	\$	\$
Current		
Trade payables	16,057,410	15,812,768
Other taxation and social security costs	345,144	133,826
Accruals and deferred income	2,292,778	2,266,442
Other payables	3,194,701	2,755,822
	<u>21,890,033</u>	<u>20,968,858</u>
Non-Current		
Other payables	<u>317,755</u>	<u>73,541</u>

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

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

22. Borrowings

	2020 \$	2019 \$
Current		
Bank overdraft (note 20)	10,228,315	10,190,056
Trade finance & guarantees	16,683,103	20,220,316
Bank loans	7,811,030	8,298,619
Other loans	400,000	-
	<u>35,122,448</u>	<u>38,708,991</u>
	2020 \$	2019 \$
Non-current		
Bank loans	1,577,197	3,022,276
Other loans	3,600,000	4,000,000
	<u>5,177,197</u>	<u>7,022,276</u>

Bank loans, other loans and overdrafts are secured by an unlimited company cross guarantee and unlimited multilateral cross guarantees given by group companies, a general letter of pledge, a letter of set-off and a debenture secured by a fixed and floating charge over the assets of the Company and specified assets of its subsidiaries.

Borrowings is made up of an overdraft, and bank loans bearing interest at 2.8% and 4.5% over 3 month LIBOR. The bank loans are repayable in the next seven years.

The carrying amount of borrowings approximates to their fair value.

23. Net Debt

	2019	Cashflow	Other Non Cash	Exchange Movements	2020
Cash and bank balances	(1,173,821)	10,119	-	-	(1,163,702)
Bank overdraft	10,190,056	153,619	-	(115,360)	10,228,315
	<u>9,016,235</u>	<u>163,738</u>	<u>-</u>	<u>(115,360)</u>	<u>9,064,613</u>
Trade finance & guarantees	20,220,316	(3,537,213)	-	-	16,683,103
Bank loans current	8,298,619	(1,932,668)	1,445,079	-	7,811,030
Bank loans non current	3,022,276	-	(1,445,079)	-	1,577,197
Finance leases	5,957,372	(1,137,873)	-	-	4,819,499
Other loans – current	-	-	400,000	-	400,000
Other loans – non current	4,000,000	-	(400,000)	-	3,600,000
	<u>50,514,818</u>	<u>(6,444,016)</u>	<u>-</u>	<u>(115,360)</u>	<u>43,955,442</u>

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

24. Commitments under finance leases

	Minimum lease payments	
	2020	2019
	\$	\$
Amounts payable under finance leases		
In one year or less	2,488,987	2,093,912
Between one and five years	2,089,106	3,639,307
In five years or more	417,954	517,300
	<u>4,996,047</u>	<u>6,250,519</u>
 Future finance charges	 (176,548)	 (293,147)
 Present value of lease obligation	 <u>4,819,499</u>	 <u>5,957,372</u>
 Present value of minimum lease payments		
	2020	2019
	\$	\$
Amounts payable under finance leases		
In one year or less	2,408,097	1,972,201
Between one and five years	2,011,774	3,496,961
In five years or more	399,628	488,210
 Present value of lease obligation	 <u>4,819,499</u>	 <u>5,957,372</u>

Finance leases relate to the purchase of motor vehicles and plant and machinery and the rental of property.

There are no restrictions imposed on the use of the assets.

25. Lease liabilities

	2020
	\$
Group and Company	
<i>Deemed Cost:</i>	
At 1 January 2020	5,957,372
Interest charge for the year	149,463
Lease payments	(1,287,336)
At 31 December 2020	<u>4,819,499</u>

The maturity profile of the lease liabilities is as follows:

Due in less than one year	2,408,097
Due between 1-2 years	1,738,062
Due between 2-5 years	273,712
Due after more than 5 years	399,628
At 31 December 2020	<u>4,819,499</u>

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

26. Derivative financial instruments

	2020	2019
	\$	\$
Cross currency swap		
Fair value of cross currency swap	<u>19,086</u>	<u>125,465</u>

On 13 December 2017 the Company entered into a contract to purchase GBP 4,283,441 for \$5,726,961 between 2017 and 2022 to hedge against the scheduled repayments of the GBP bank loan.

The fair value of the derivative contracts are a mark to market valuation obtained from the counter-party to the derivative contract.

The amounts credited to profit or loss in respect of derivative financial instruments was \$106,380 (2019: charge \$189,416).

27. Deferred tax (asset)/liability

	Accelerated capital allowances	Tax Losses	Other	Total
	\$	\$	\$	\$
As at 1 January 2019 (as restated)	5,343,451	(700,723)	394,193	5,036,921
(Credit)/charge to profit or loss	(126,055)	177,681	329,916	381,542
Deferred tax on revaluation	11,997,713	-	-	11,997,713
Currency adjustment	(24,313)	3,800	(2,763)	(23,276)
As at 31 December 2019	<u>17,190,796</u>	<u>(519,242)</u>	<u>721,346</u>	<u>17,392,900</u>
Charge/(credit) to profit or loss	(924,032)	(162,286)	(437,545)	(1,523,863)
Deferred tax on revaluation	47,218	-	-	47,218
Currency adjustments	(829,087)	28,116	(38,325)	(839,296)
As at 31 December 2020	<u>15,484,895</u>	<u>(653,412)</u>	<u>245,476</u>	<u>15,076,959</u>
		2020	2019	2018
		\$	\$	\$
Deferred tax asset		(967,879)	(521,953)	(707,224)
Deferred tax liability		<u>16,044,838</u>	<u>17,914,853</u>	<u>5,744,145</u>
		<u>15,076,959</u>	<u>17,392,900</u>	<u>5,036,921</u>

The Group has \$261,847 (2019: \$506,033) in relation to unrecognised tax losses.

The asset will be recognised when a suitable trading record has been established and it is probable that this will not reverse in the future.

These tax losses are not expected to expire.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

28. Share capital

	2020 \$	2019 \$
Authorised, allocated, called up and fully paid		
2 ordinary shares of £1 each	3	3
9,740,469 ordinary shares of \$1 each	9,740,469	9,740,469
	<u>9,740,472</u>	<u>9,740,472</u>

The 2 ordinary shares of £1 rank pari passu with the 9,740,469 ordinary shares of \$1.

29. Capital management

The directors consider the company's capital to comprise of share capital, long-term loans and reserves stated on the statement of financial position.

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

30. Financial instruments

Categories of financial instruments

	2020 \$	2019 \$
Financial assets:		
- Cash and bank balances	1,163,702	1,173,821
- Loans and receivables	22,804,596	37,765,196
Financial liabilities		
- Fair value through profit or loss	19,086	125,465
- Amortised cost	<u>60,162,835</u>	<u>64,507,224</u>

Financial risk management objectives and policies

The Group's principal financial instruments comprise borrowings, cash and short term deposits, derivatives, shareholder loans, receivables and payables. The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

The main financial risks faced by the Group relate to availability of funds to meet business needs and the risk of default by a counterparty in a financial transaction. The Group manages borrowing, liquidity, foreign exchange and banking relationships in accordance with Board approved policies designed to minimise exposures. The undertaking of financial transactions of a speculative nature is not permitted.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

30. Financial instruments (continued)

The Group finances its operations by a combination of internally-generated cashflow, shareholder loans and bank borrowings. Refinancing risk is controlled by ensuring the Group has sufficient bank facilities to meet increases in projected borrowings over the following 12-month period.

Interest rate risk

The Group is exposed to cash flow interest rate risk on bank overdrafts and short term borrowings. The Group seeks to mitigate this risk by fixing interest bearing liabilities wherever possible. Fixed interest rates are used for all finance lease borrowing.

The Group uses derivative instruments to reduce its exposure to changes in interest rates.

At 31 December 2020, it is estimated that a general increase/decrease of 1% in interest rates, with all other variables held constant, would decrease/increase the Company's profit after tax and retained earnings by approximately \$92,308 (2019: \$110,204).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of reporting date and had been applied to the exposure to interest rate risk for financial instruments in existence at that date. The 1% increase or decrease represents management's assessment of the likely maximum change in interest rates over the period until the next reporting date.

Foreign currency risk

The Group's principal foreign currency exposures arise from the purchase and sale of products in different currencies and from the translation of overseas assets and liabilities.

Group policy allows for but does not demand that the transactional exposures are hedged by the use of spot and forward contracts but seeks to match the aggregate position of foreign currency assets and liabilities to reduce exposure. The Group operates in countries that have historically been subject to devaluation. The group policy is to undertake frequent revaluations of the underlying assets to minimise the effects of the translation loss.

The following table details the Group's sensitivity to a 5% increase in US Dollars against the relevant foreign currencies. 5% is the sensitivity rate which represents management's assessment of the reasonably possible change in foreign exchange rates.

		2020 \$	2019 \$
Profit or (loss)	Pounds Sterling	140,285	(358,657)
Profit or (loss)	Euros	4,356	479
Profit or (loss)	Kenya Shillings	216,806	236,805
Profit or (loss)	Malawi Kwacha	94,560	807,426
Profit or (loss)	Sudanese Pound	(1,050)	(2,960)

The above excludes the retranslation of the hedged GBP loans, as any exchanges gains or losses are expected to be substantially offset by the change in the fair value of the cross currency swap (note 26).

Credit risk

The Group's credit risk is primarily attributable to its trade and other receivables. The amounts included in the balance sheet are net of allowances for doubtful debts, which have been estimated by management based on expected credit losses at the reporting date which may indicate that a provision is required.

Global Tea & Commodities Ltd
Annual Report and Financial Statements

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

30. Financial instruments (continued)

Liquidity risk

The Group manages its cash and borrowing requirement to ensure the Group has sufficient bank facilities to meet increases in projected borrowings over the following 12-month period.

The following table details the remaining contractual maturities at the end of the reporting date of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of reporting date) and the earliest date the Group can be required to pay.

	Carrying amount	Total contractual Undiscoun- ted amount	Within 1 year or on demand	Between 1 & 2 years	Between 2 & 5 years	In 5 years or more
	\$	\$	\$	\$	\$	\$
2020						
Trade and other payables	19,915,010	19,915,010	19,597,255	-	-	317,755
Bank overdraft	10,228,316	10,228,316	10,228,316	-	-	-
Trade finance & guarantees	16,683,103	16,683,103	16,683,103	-	-	-
Bank and other loans	13,388,227	14,456,929	8,376,418	2,411,042	3,254,749	414,720
	<u>60,214,656</u>	<u>61,283,358</u>	<u>54,885,092</u>	<u>2,411,042</u>	<u>3,254,749</u>	<u>732,475</u>
2019						
Trade and other payables	18,775,957	18,775,957	18,702,416	-	-	73,541
Bank overdraft	10,190,056	10,190,056	10,190,056	-	-	-
Trade finance & guarantees	20,220,316	20,220,316	20,220,316	-	-	-
Bank and other loans	15,320,895	16,850,341	8,741,333	2,061,284	4,774,124	1,273,600
	<u>64,507,224</u>	<u>66,036,670</u>	<u>57,854,121</u>	<u>2,061,284</u>	<u>4,774,124</u>	<u>1,347,141</u>

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

31. Related party transactions

Key management personnel compensation

Key management personnel are considered to be the directors of the Company. Their remuneration has been disclosed in note 6.

Other related parties

During the year, the Group had the following transactions with other related parties:

	2020 \$	2019 \$
Sales		
Typhoo Tea Limited	2,626,280	4,468,071
Peerless Logistics Limited	-	577
	<u>2,626,280</u>	<u>4,468,648</u>
Purchases		
Typhoo Tea Limited	-	150,810
Peerless Logistics Ltd	9,751	881
Peerless Tea Services Ltd	51,873	9,208
Blue Mountain Tea and Commodities Limited	96,294	144,176
	<u>157,918</u>	<u>305,075</u>

During the year the Group charged interest of \$276,945 (2019: \$323,600) to Typhoo Tea Limited of which \$783,728 (2019: \$482,875) is outstanding at year end.

At the year end, the Group had the following balances with other related parties

	2020 \$	2019 \$
Amounts due from Related Parties		
Typhoo Tea Limited	10,041,934	25,416,156
Structured International Investments Corporation	1,768,782	1,720,769
Peerless Logistics Limited	284,161	292,287
Peerless Tea Services Limited	12,314	26,387
Sandhurst Management Inc.	37,058	2,816
	<u>12,144,249</u>	<u>27,458,415</u>
Amounts due to Related Parties		
Typhoo Tea Limited	521,127	2,741,292
Peerless Logistics Limited	19,664	16,682
Peerless Tea Services Limited	4,889	1,247
	<u>545,680</u>	<u>2,759,221</u>

At year end as disclosed in note 19 \$89,432 (2019: \$66,378) is owed by the directors to the group.

The above related parties are considered to be "other related parties" as defined by IAS 24 Related Party Disclosures with the exception of Blue Mountain Tea and Commodities Limited, which is an associate.

Notes to the Financial Statements (continued)

for the year ended 31 December 2020

32. Ultimate controlling party

The directors of Global Tea & Commodities Limited, a company incorporated in England and Wales, consider the ultimate controlling party of the group to be Nadeem Ahmed.

33. Discontinued operations

In March 2020, the group sold the trade, assets and liabilities of its dairy operations in Malawi for a cash consideration of \$850,000

	2020 \$
Cash consideration received	850,000
Net assets disposed:	
Property, plant & equipment	(2,124,623)
Inventory	(268,632)
Loss on disposal of discontinued operation	<u>(1,543,255)</u>

34. Post Balance Sheet events

In June 2021, as part of a capital restructuring exercise by Typhoo Tea Limited, the group agreed to convert £2.1m of trade receivables due from Typhoo Tea Limited into a £2.0m loan payable in 12 equal quarterly instalments commencing in November 2022.

In April 2021, the existing shareholders of Global Tea & Commodities Limited agreed to sell up to 13% of the company and issue preference shares with a coupon of 13% to Brompton Holdco Limited for US\$20m. The purpose of the investment is to provide the funding required to expand the worldwide operations of Global Tea & Commodities Limited. At the date of signing these financial statements, the company has received \$5m of the investment and issued ordinary shares representing 3.25% of the company and preference shares for \$4,999,673 to Brompton Holdco Limited.

Global Tea & Commodities Ltd
Annual Report and Financial Statements

Company Statement of Financial Position

as at 31 December 2020

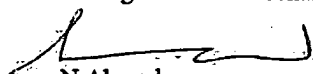
	Notes	2020 \$	2019 \$
ASSETS			
Non-current assets			
Right-of-use assets	38	849,231	944,930
Property, plant and equipment	37	870,289	1,091,836
Interest in lease	39	1,578,612	3,117,243
Investments	40	18,622,313	18,622,313
Trade and other receivables	42	5,391,232	5,263,623
		<u>27,311,677</u>	<u>29,039,945</u>
Current assets			
Inventories	41	3,560,439	2,596,690
Interest in lease	39	1,631,580	1,542,731
Trade and other receivables	42	12,543,858	12,755,756
Cash and bank balances		187,733	213,294
		<u>17,923,610</u>	<u>17,108,471</u>
Total assets		<u>45,235,287</u>	<u>46,148,416</u>
LIABILITIES			
Current liabilities			
Trade and other payables	43	11,657,365	11,705,872
Lease liabilities	45	2,408,097	1,972,201
Borrowings	44	6,515,900	6,089,806
		<u>20,581,362</u>	<u>19,767,879</u>
Non-current liabilities			
Trade and other payables	43	25,473	25,473
Borrowings	44	4,714,766	6,164,977
Lease liabilities	45	2,411,402	3,985,171
Derivative financial instruments	46	19,086	125,465
		<u>7,170,727</u>	<u>10,301,086</u>
Total liabilities		<u>27,752,089</u>	<u>30,068,965</u>
Net assets		<u>17,483,198</u>	<u>16,079,451</u>
EQUITY			
Share capital	49	9,740,472	9,740,472
Share premium		3,648,302	3,648,302
Capital reserve		1,358,762	1,358,762
Retained earnings		2,735,662	1,331,915
Total equity		<u>17,483,198</u>	<u>16,079,451</u>

As permitted by section 408 of the Companies Act 2006 the company has elected not to present its own profit and loss account for the year. The company reported a profit for the financial year ended 31 December 2020 of \$1,403,747 (2019 loss after impairment of investments: \$3,258,457).

Company Statement of Financial Position

as at 31 December 2020

The financial statements were approved by the Board of Directors and authorised for issue on 12 April 2022 and signed on their behalf by:



N Ahmed

Director

The notes on pages 53 to 57 form part of these financial statements.

Global Tea & Commodities Ltd
Annual Report and Financial Statements

Company Statement of Changes in Equity
for the year ended 31 December 2020

	Share capital \$	Share premium \$	Capital reserves \$	Retained earnings \$	Total equity \$
At 31 December 2018	9,740,472	3,648,302	1,358,762	4,590,372	19,337,908
Loss for the year	-	-	-	(3,258,457)	(3,258,457)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	-	-	(3,258,457)	(3,258,457)
Dividends paid	-	-	-	-	-
At 31 December 2019	9,740,472	3,648,302	1,358,762	1,331,915	16,079,451
Profit for the year	-	-	-	1,403,747	1,403,747
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	1,403,747	1,403,747
Dividends paid	-	-	-	-	-
At 31 December 2020	9,740,472	3,648,302	1,358,762	2,735,662	17,483,198

The notes on pages 53 to 57 form part of these financial statements.

Notes to the Company Financial Statements

for the year ended 31 December 2020

35. Accounting policies of the Company

Statement of compliance

The separate financial statements of the Company are have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101") and in accordance with the applicable provisions of the Companies Act 2006. Except for certain disclosure exemptions detailed below, the recognition, measurement and disclosure requirements of International accounting standards in conformity with the requirements of the Companies Act 2006 have been applied to these financial statements and, where necessary, amendments have been made in order to comply with the Companies Act 2006 and The Large and Medium-sized Companies and Groups Regulations 2008/410 ('Regulations').

Disclosure exemptions applied

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS101 paragraph 8:

- (i) the requirement of IFRS 7 'Financial Instruments: Disclosures' relating to the disclosure of financial instruments and the nature and extent of risks arising from such instruments;
- (ii) the requirement of IFRS 13 'Fair Value Measurement' paragraphs 91 to 99 relating to the fair value measurement disclosures of financial assets and financial liabilities that are measured at fair value;
- (iii) the applicable requirements of IAS 1 'Presentation of Financial Statements' relating to the disclosure of comparative information in respect of the reconciliation of the carrying amount of property, plant and equipment (IAS 16.73(e));
- (iv) the requirement of IAS 1 'Presentation of Financial Statements' paragraphs 134 to 136 relating to the disclosure of capital management policies and objectives;
- (v) the requirements of IAS 7 'Statement of Cash Flows' and IAS 1 'Presentation of Financial Statements' paragraph 10(d), 111 relating to the presentation of a Cash Flow Statement;
- (vi) the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraphs 30 and 31 relating to the disclosure of standards, amendments and interpretations in issue but not yet effective; and
- (vii) the requirements of IAS 24 'Related Party Disclosures' relating to the disclosure of key management personnel compensation and relating to the disclosure of related party transactions entered into between the Company and other wholly-owned subsidiaries of the group.

For the disclosure exemptions listed in points (i) to (ii), the equivalent disclosures are included in the consolidated financial statements of the group into which the Company is consolidated.

The principal accounting policies adopted are the same as those set out in note 2 to the consolidated financial statements except as noted below.

Investments in subsidiaries and associates are stated at cost less, where appropriate, provisions for impairment.

Notes to the Company Financial Statements (continued)

for the year ended 31 December 2020

36. Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2020 Number	2019 Number
Production and distribution	1	1
Administration	3	3
Sales and marketing	2	2
	<u>6</u>	<u>6</u>

Employment costs

	2020 \$	2019 \$
Wages and salaries	1,097,234	1,045,737
Social security costs	138,501	131,977
Pension costs	47,087	43,750
	<u>1,282,822</u>	<u>1,221,464</u>

37. Property, plant and equipment

	Land \$	Short term leasehold improvements \$	Plant & machinery \$	Fixtures, fittings & equipment \$	Total \$
Cost					
As at 1 January 2020	21,306	80,520	2,145,088	333,895	2,580,809
Additions	-	-	-	8,550	8,550
Disposals	-	-	-	-	-
As at 31 December 2020	<u>21,306</u>	<u>80,520</u>	<u>2,145,088</u>	<u>342,445</u>	<u>2,589,359</u>
Depreciation					
As at 1 January 2020	-	64,169	1,126,170	298,634	1,488,973
Disposals	-	-	-	-	-
Charge	-	1,744	214,509	13,844	230,097
As at 31 December 2020	<u>-</u>	<u>65,913</u>	<u>1,340,679</u>	<u>312,478</u>	<u>1,719,070</u>
Carrying amount					
As at 31 December 2020	<u>21,306</u>	<u>14,607</u>	<u>804,409</u>	<u>29,967</u>	<u>870,289</u>
As at 31 December 2019	<u>21,306</u>	<u>16,351</u>	<u>1,018,918</u>	<u>35,261</u>	<u>1,091,836</u>

Notes to the Company Financial Statements (continued)

for the year ended 31 December 2020

38. Right-of-use assets

For further details of the Company's right of use assets, please see note 12.

39. Interest in lease

For further details of the Company's lease liabilities, please see note 18.

40. Investments

Details of the Company investments in subsidiaries and other participating interests are listed in notes 15 and 16.

	2020 \$	2019 \$
Investment in subsidiaries	15,461,341	15,461,341
Other participating interests	<u>3,160,972</u>	<u>3,160,972</u>
	<u>18,622,313</u>	<u>18,622,313</u>

41. Inventories

	2020 \$	2019 \$
Raw materials	3,560,439	2,575,868
Finished goods	-	20,822
	<u>3,560,439</u>	<u>2,596,690</u>

42. Trade and other receivables

	2020 \$	2019 \$
Current		
Trade receivables	321,042	551,691
Amounts owed by subsidiary undertakings	8,118,652	9,286,230
Directors' loan account	89,432	66,378
Other receivables	2,554,522	2,005,184
Prepayments and accrued income	<u>1,460,210</u>	<u>846,273</u>
	<u>12,543,858</u>	<u>12,755,756</u>
Non-Current		
Other receivables	<u>5,391,232</u>	<u>5,263,623</u>

Notes to the Company Financial Statements (continued)

for the year ended 31 December 2020

43. Trade and other payables

	2020 \$	2019 \$
Current		
Trade payables	5,470,681	2,717,139
Amounts owed to subsidiary undertakings	4,869,160	7,585,647
VAT payable	29,070	96,979
Other taxation and social security	345,144	133,826
Accruals and deferred income	943,310	1,172,281
	<u>11,657,365</u>	<u>11,705,872</u>
Non-current		
Other payables	<u>25,473</u>	<u>25,473</u>

44. Borrowings

	2020 \$	2019 \$
Current		
Bank overdrafts	1,134	7,318
Bank loans	6,514,766	6,082,488
	<u>6,515,900</u>	<u>6,089,806</u>
Non-current		
Bank loans	714,766	2,164,977
Other loans	4,000,000	4,000,000
	<u>4,714,766</u>	<u>6,164,977</u>
Total borrowings	<u>11,230,666</u>	<u>12,254,783</u>

Analysis of borrowings

	2020 \$	2019 \$
In one year or less, or on demand	6,515,900	6,089,806
Between one and two years	1,914,766	1,482,489
Between two and five years	2,400,000	3,482,488
In five years or more	400,000	1,200,000
	<u>11,230,666</u>	<u>12,254,783</u>

Borrowings is made up of an overdraft, and bank loans bearing interest at 2.8% and 4.5% over 3 month LIBOR. The bank loans are repayable in the next seven years.

45. Lease liabilities

For further details of the Company's lease liabilities, please see note 25.

Notes to the Company Financial Statements (continued)

for the year ended 31 December 2020

46. Derivative financial instruments

For further details of the Company's derivative financial instruments, please see note 26.

47. Post Balance sheet event

For further details of the Company's post balance sheet events, please see note 34.

48. Related party transactions

Key management personnel compensation

Key management personnel are considered to be the directors of the Company. Their remuneration has been disclosed in note 6.

Other related parties

During the year, the Company had the following transactions with other related parties:

	2020	2019
	\$	\$
Sales		
Typhoo Tea Limited	-	-
	-	-

During the year the Company charged interest of \$276,945 (2019: \$323,601) to Typhoo Tea Limited of which \$783,728 (2019: \$482,875) is outstanding at year end.

At the year end, the Company had the following balances with other related parties

	2020	2019
	\$	\$
Amounts due from Related Parties		
Typhoo Tea Limited	5,795,642	5,630,755
Structured International Investments Corporation	1,768,782	1,720,769
Peerless Logistics Limited	8,550	8,550
Peerless Tea Services Limited	10,298	26,352
Sandhurst Management Inc.	37,058	2,816
	<u>7,620,330</u>	<u>7,389,242</u>
Amounts due to Related Parties		
Typhoo Tea Limited	-	2,588
	-	<u>2,588</u>

At year end as disclosed in note 42 \$89,432 (2019: \$66,378) is owed by the directors to the group.

The above related parties are considered to be "other related parties" as defined by IAS 24 Related Party Disclosures with the exception of Blue Mountain Tea and Commodities Limited, which is an associate.

49. Share capital

For further details of the Company's share capital, please see note 28.