

Financial Statements for the Year Ended 31 December 2021

for

GRAM Caledon Resources Limited

Shinewing Wilson Accountancy Limited
Chartered Certified Accountants
and Statutory Auditors
9 St Clare Street
London
EC3N 1LQ

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for the Year Ended 31 December 2021

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GRAM Caledon Resources Limited

Company Information
for the Year Ended 31 December 2021

DIRECTOR: S Liu

SECRETARY: J P Gorman

REGISTERED OFFICE: Cannon Place
78 Cannon Street
London
EC4N 6AF

REGISTERED NUMBER: 03993115 (England and Wales)

AUDITORS: Shinewing Wilson Accountancy Limited
Chartered Certified Accountants
and Statutory Auditors
9 St Clare Street
London
EC3N 1LQ

Statement of Financial Position
31 December 2021

	Notes	31.12.21 \$	\$	31.12.20 \$	\$
FIXED ASSETS					
Investments	4		1,295,278		573,969
CREDITORS					
Amounts falling due within one year	5	<u>17,523,612</u>		<u>17,523,612</u>	
NET CURRENT LIABILITIES			<u>(17,523,612)</u>		<u>(17,523,612)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(16,228,334)</u>		<u>(16,949,643)</u>
CAPITAL AND RESERVES					
Called up share capital			2,957,535		2,957,535
Share premium			232,624,597		232,624,597
Other reserves			962,551		962,551
Retained earnings			<u>(252,773,017)</u>		<u>(253,494,326)</u>
			<u>(16,228,334)</u>		<u>(16,949,643)</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director and authorised for issue on 30 September 2022 and were signed by:

S Liu - Director

Notes to the Financial Statements
for the Year Ended 31 December 2021

1. **STATUTORY INFORMATION**

GRAM Caledon Resources Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Australian Dollars.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Going concern

At the balance sheet date, the Company had net liabilities of A\$16,228,334 and is dependent on group support in order to continue as a going concern. The Company has been unable to obtain confirmation of continued group support. The Company owes its immediate parent company, Guangdong Rising (Australia) Pty Limited, A\$17,523,612. At the date of signing these accounts the parent company is in the process of liquidation and the director considers that there is insufficient information available regarding the resulting liquidation process. This indicates the existence of a material uncertainty casting doubt on the Company's ability to continue as a going concern.

No adjustments have been made in these accounts, which would be required if the going concern basis was not considered appropriate.

Preparation of financial statements as an individual accounts

The financial statements contain information about GRAM Caledon Resources Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, and loans from group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest method.

Share capital

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The company's ordinary shares are classified as equity instruments.

Investments in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currency translation

The Company's functional and presentational currency is Australian dollars.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account except when deferred in other comprehensive income as qualifying cash flow hedges.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 1 (2020 - 1) .

4. **FIXED ASSET INVESTMENTS**

COST OR VALUATION

At 1 January 2021

Revaluations

At 31 December 2021

NET BOOK VALUE

At 31 December 2021

At 31 December 2020

Other
investments
\$

573,969

721,309

1,295,278

1,295,278

573,969

Cost or valuation at 31 December 2021 is represented by:

Valuation in 2021

Cost

Other
investments
\$

721,309

573,969

1,295,278

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

4. **FIXED ASSET INVESTMENTS - continued**

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Caledon Overseas Holdings Limited

Registered office: England & Wales

Nature of business: holding company

	%
Class of shares:	holding
Ordinary	100.00

5. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.21	31.12.20
	\$	\$
Amounts owed to group undertakings	17,523,612	17,523,612

As at the balance sheet date, the company owed its immediate parent company, Guangdong Rising (Australia) Pty Limited A\$17,523,612. The loan is unsecured, interest free and repayable on demand with no fixed date of repayment.

6. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was qualified on the following basis:

Basis for adverse opinion

As explained in note 2 to the financial statements, the company is unable to receive continued support from the group and ultimate parent since company's immediate parent is in the process of liquidation. In our opinion the company is not a going concern but the financial statements have been prepared on going concern basis.

Furthermore, the management did not maintain and was unable to provide us with sufficient information and evidence to support the amounts of share capital, share premium, and amounts owed to group undertakings in the financial statements.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion on the company financial statements.

Matters required to report by exception

As a result of the matters described in the basis for adverse opinion section of our report, the company is

- unable to receive continued support from the group and ultimate parent since company's immediate parent is in the process of liquidation, and
- unable to provide us with sufficient information and adequate records to support the amounts of share capital and share premium in the financial statements.

Except for the effects of the matters described in the basis for adverse opinion section of our report, 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:

Julie Zhuge Wilson (Senior Statutory Auditor)
for and on behalf of Shinewing Wilson Accountancy Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

7. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

8. ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is Guangdong Rising (Australia) Pty Ltd, registered in Australia and currently under the process of liquidation.

The ultimate parent undertaking and the smallest and largest group to consolidated these financial statements is Guangdong Rising Assets Management Co., Ltd. Copies of the consolidated financial statements can be obtained from the company secretary at 17 Pear River West Road, Pearl River New Town, Guangzhou, 510623 P. R.China.

9. STATEMENT OF CASH FLOWS

There were no cash flows during the current and previous financial years.

There were no non-cash investing activities during the year ended 31 December 2021 and 2020.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.