

Companies House

Red Leopard Holdings Plc

Financial statements

For the year ended 31 December 2022



Company No. 05289187

Company information

Directors	J J May T Hayward S J Adam T Hoyer (resigned 10 January 2022)
Secretary	Nicola Baldwin 50 Jermyn Street London SW1Y 6LX
Company registration number	05289187
Registered office	50 Jermyn Street London SW1Y 6LX
Auditor	Bright Grahame Murray Emperor's Gate 114a Cromwell Road Kensington London SW7 4AG
Bankers	Barclays Bank Plc Pall Mall 2 Leicester LE87 2BB
Website	www.redleopardholdings.com

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Chairman's statement

I hereby present the financial statements for the year to 31 December 2022 for Red Leopard Holdings Plc and its wholly owned subsidiaries (together the "Group") and an update on its current position.

Throughout the period the Company has continued, and is still continuing, to try to identify suitable opportunities to bring the Company back to life. During the year the Company identified a possible reverse transaction and pursued this throughout the year in detail, engaging the necessary professional advisers, entering into a Sales and Purchase Agreement, and making submissions to the FCA and London Stock Exchange. Unfortunately the target withdrew from the transaction on 31 October 2022 without warning. Significant costs were incurred by the Company to get the transaction to near completion amounting to £860,279. The Company is currently exploring its options on how best to recover these.

The Company remains committed to an active approach to try to secure a transaction for the benefit of Shareholders and we will update when we are in a position so to do.



J J May
Chairman
28 June 2023

Strategic Report

PRINCIPAL ACTIVITY

The principal activity of the Group is focused on concluding an acquisition.

BUSINESS REVIEW

Financial overview and performance

Loss for the Group before tax for the year was £13,350 (2021: £13,662). Net liabilities for the Group as at 31 December 2022 were £439,018 (2021: £425,668). During the period the Group pursued its strategy of securing an acquisition.

Strategy

The Company's strategy is to complete a reverse takeover transaction.

Investing Policy

The Directors may consider it appropriate to purchase companies or interests in them which may result in an equity interest in any proposed investment ranging from a minority position to 100 per cent ownership. Proposed investments may be made in either quoted or unquoted companies and structured as a direct acquisition, joint venture or as a direct interest in a project.

Where necessary, the Company may seek participation in the management or with the board of directors of an entity in which the Company invests or in the event that it is acquired then in the on-going enlarged entity.

New investments will be held for the medium to longer term, although shorter term disposal of any investments cannot be ruled out should such an opportunity present itself.

There will be no limit on the number of projects into which the Company may invest, and the Company's financial resources may be invested in a number of opportunities or in just one investment. Where the Company builds a portfolio of related assets it is possible that there may be cross-holdings between such assets.

The Company's primary objective is that of securing for the Shareholders the best possible value consistent with achieving, over time, both capital growth and income for Shareholders through developing profitability on a sustainable basis.

The Directors may undertake the initial project assessments themselves with additional independent technical advice as required.

The Directors may offer new Ordinary Shares by way of consideration as well as cash subject to its availability to the Company. The Company may in appropriate circumstances, issue debt securities or otherwise borrow money to complete an investment. The Directors do not intend to acquire any cross-holdings in other corporate entities that have an interest in the Ordinary Shares.

Strategic Report (continued)

Principal risks and uncertainties

The management of the business and the nature of the Group's strategy are subject to a number of risks. The directors have set out below the principal risks facing the business.

Going concern

The assessment of the going concern risk has been detailed in the Directors' Report.

Market risk

The success of the business is reliant on capitalising on opportunities. In response to these risks, the directors aim to keep abreast of changes to the market conditions and adjust accordingly by curtailing discretionary spending and by seeking alternative opportunities.

Financial Risk Management Objectives and Policies

Liquidity risk

The Group manages its cash and borrowing requirements to maximise interest income and minimise interest expense, whilst ensuring that the Group has sufficient resources to meet the operating needs of the business. Cash flow risk is managed by ensuring that sufficient funds are available to meet obligations to creditors by monitoring closely purchase commitments and activity levels, ensuring that these can be reduced or curtailed in the short term if required whilst further funds are secured. Historically, the directors have put loans into the Company to ensure liquidity at critical times.

The Group's approach to liquidity risk is to ensure that sufficient liquidity is available to meet foreseeable requirements, by having adequate reserves, banking and borrowing facilities and by investing funds securely and profitably. The board further manages its exposure to liquidity risk by ensuring that cash flow forecasts and budgets are produced annually and monitored on a regular basis.

Credit risk

The Group's principal financial assets are bank balances, cash and trade and other receivables.

The Group's credit risk is primarily attributable to receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The amounts presented in the statement of financial position are net of these allowances for doubtful receivables. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Credit risk refers to the risk that a third party will default on its contractual obligations resulting in financial loss to the Group. The Group manages the exposure to this risk by carrying out credit verification procedures on all clients and monitoring receivable balances on an ongoing basis.

KEY PERFORMANCE INDICATORS (KPIs)

The directors have monitored historically the progress of the overall strategy by reference to certain financial and non-financial key performance indicators, principally the successful completion of fundraising and pursuit of acquisition opportunities. The directors are not satisfied with the performance of the business against these KPIs for the financial year under report. In light of disclosures made elsewhere in these financial statements, new KPI's for the current period will be agreed and implemented.

Strategic Report (continued)

SECTION s172 STATEMENT– PROMOTION OF THE COMPANY FOR THE BENEFIT OF MEMBERS AS A WHOLE

The Directors believe they have acted in the way most likely to promote the success of the Company for the benefit of its members as a whole, as required by s172 of the Companies Act 2006.

The requirements of s172 are for the Directors to:

- Consider the likely consequences of any decision in the long term;
- Act fairly between members of the Company;
- Maintain a reputation for high standards of business conduct;
- Consider the interest of the Company's employees;
- Foster the Company's relationships with suppliers, customers and others

The Company is dependent upon fund-raising for its continued operation. It's current position is important to the understanding of the Company by its members, employees and suppliers, and the Directors are as transparent about the cash position and funding requirements.

The application of s172 requirements can be demonstrated in relation to some of the key decisions made during 2022:

- The Directors are committed to developing and applying high standards of corporate governance;
- Raising of additional funds for the Company for investment purposes; and
- The pursuit of acquisition opportunities that will generate significant returns for the Company and its shareholders

This report was approved by the board on 28 June 2023 and signed on its behalf.



J J May
Chairman

Report of the directors

The Directors present their report and the audited financial statements of the Company and the Group for the year ended 31 December 2022.

RESULTS FOR THE YEAR

The Group has made a loss of £13,350 (2021: £13,662).

DIVIDENDS

The Directors are unable to recommend the payment of a dividend (2021: Nil).

DIRECTORS' RESPONSIBILITIES STATEMENT

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 financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs). 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 and profit or loss of the company and group 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 applicable IFRSs 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.

The directors confirm that:

- in so far as each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors individually have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Report of the directors (continued)

GOING CONCERN

As at 31 December 2022 the group had cash balances of £568. To secure an acquisition or satisfy its investing policy the Group will require further funds to complete it. The Directors have prepared a cash flow forecast for the coming 12 months which demonstrates that the ability for the Company to actively pursue its investing policy is contingent upon raising of further funds. The success of a future fundraise has been identified as a material uncertainty which may cast significant doubt over the going concern assessment. Whilst acknowledging this uncertainty, based upon the expectation of completing a successful fundraising in the near future, the Directors consider it appropriate to continue to prepare the financial statements of the Company on a going concern basis.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued share capital as at 31 December 2022, were:

	Ordinary Shares	
	2022	2021
J J May	77,141,238	77,141,238
T Hayward	15,000,000	15,000,000
S J Adam	57,947,222	57,947,222
T Hoyer (resigned 10 January 2022)	15,000,000	15,000,000

DIRECTORS' INDEMNITY

The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the Company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as officers or employees of the Company.

INDICATION OF FUTURE DEVELOPMENTS

The details of the future developments of the group are given in the Strategic Report.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The details of financial risk management are given in the Strategic Report.

GROUP'S POLICY FOR PAYMENT OF CREDITORS

It is the Group's policy to agree to the terms of transactions, including payment terms, with suppliers and that payment is made accordingly. At 31 December 2022 the average creditor payment period was 1 day (2021: 1 day) for both the group and company.

ENERGY USE AND EMISSIONS DATA

As the Group and the company has not consumed more than 40,000 KWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

AUDITOR

Bright Grahame Murray has expressed a willingness to continue in office as auditor and a resolution to re-appoint them will be proposed at the next Annual General Meeting of the company.

This report was approved by the board on 28 June 2023 and signed on its behalf.



J J May
Chairman

Independent auditor's report to the members of Red Leopard Holdings Plc

Opinion

We have audited the financial statements of Red Leopard Holdings PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cashflows, the company statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) and , as regards the parent company financial statements, applied in accordance with the provisions of the Companies Act 2006.

In our opinion 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 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs;
- the parent company financial statements have been properly prepared in accordance with IFRSs and as applied in accordance with the provisions of the Companies Act 2006;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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 are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements, which indicates that to secure the proposed acquisition or satisfy its investing policy the group and parent company will require further funds to complete it. The Directors have prepared a cash flow forecast for the coming 12 months which demonstrates that the ability for the group and parent company to actively pursue its investing policy is contingent upon raising of further funds.

As stated in note 2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt over the group and parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The accompanying accounting policies and notes form part of these financial statements.

Independent auditor's report to the members of Red Leopard Holdings Plc (cont)

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.

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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or 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
- we have not received all the information and explanations we require for our audit.

The accompanying accounting policies and notes form part of these financial statements.

Independent auditor's report to the members of Red Leopard Holdings Plc (cont)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 has no realistic alternative but to do so.

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 considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the UK Companies Act and tax legislation.
- We enquired of the directors, reviewed correspondence with HMRC and reviewed director meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the directors have in place to ensure compliance.
- We gained an understanding of the controls that the directors have in place to prevent and detect fraud. We enquired of the directors about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: revenue recognition, related parties outside normal course of business and management override.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the directors about actual and potential litigation and claims.

The accompanying accounting policies and notes form part of these financial statements.

Independent auditor's report to the members of Red Leopard Holdings Plc (cont)

- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

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

Use of our report

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

Matthew Eade

Matthew Eade (Senior Statutory Auditor)
For and on behalf of Bright Grahame Murray
Chartered Accountants
Statutory Auditor
Emperor's Gate
114a Cromwell Road
Kensington
London
SW7 4AG

28 June 2023

The accompanying accounting policies and notes form part of these financial statements.

Consolidated statement of comprehensive income

		2022 £	2022 £	2021 £	2021 £
	Note	Continuing Operations	Total	Continuing Operations	Total
OTHER OPERATING INCOME					
Cost of sales		-	-	-	-
Gross (loss)		-	-	-	-
Administrative expenses					
Recurring administrative costs		(13,350)	(13,350)	(13,662)	(13,662)
OPERATING LOSS	3	(13,350)	(13,350)	(13,662)	(13,662)
Finance income	6	-	-	-	-
Finance cost	7	-	-	-	-
LOSS FROM CONTINUING ACTIVITIES BEFORE TAXATION		(13,350)	(13,350)	(13,662)	(13,662)
Tax expense	8	-	-	-	-
LOSS FOR THE YEAR ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT		(13,350)	(13,350)	(13,662)	(13,662)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT		(13,350)	(13,350)	(13,662)	(13,662)
Loss per share - basic	9	(0.00)p	(0.00)p	(0.00)p	(0.00)p
Loss per share – diluted	9	(0.00)p	(0.00)p	(0.00)p	(0.00)p

The accompanying accounting policies and notes form part of these financial statements.

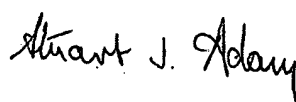
Consolidated statement of financial position

	Note	2022 £	2021 £
CURRENT ASSETS			
Trade and other receivables	12	860,569	240
Cash and cash equivalents		568	499
TOTAL CURRENT ASSETS		861,137	739
TOTAL ASSETS		861,137	739
EQUITY			
Share capital	15	2,804,625	2,804,625
Share premium account		4,157,194	4,157,194
Retained earnings		(7,400,837)	(7,387,487)
TOTAL EQUITY		(439,018)	(425,668)
CURRENT LIABILITIES			
Trade and other payables	13	1,300,155	426,407
TOTAL CURRENT LIABILITIES		1,300,155	426,407
TOTAL LIABILITIES		1,300,155	426,407
TOTAL EQUITY AND LIABILITIES		861,137	739

These financial statements were approved by the directors on 28 June 2023 and are signed on their behalf by:



J J May
Director



S J Adam
Director

Company statement of financial position

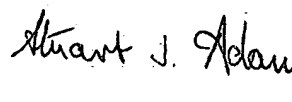
	Note	2022 £	2021 £
NON-CURRENT ASSETS			
Investments	11	100	100
TOTAL NON-CURRENT ASSETS		100	100
CURRENT ASSETS			
Trade and other receivables	12	860,569	240
Cash and cash equivalents		568	499
TOTAL CURRENT ASSETS		861,137	739
TOTAL ASSETS		861,237	839
EQUITY			
Share capital	15	2,804,625	2,804,625
Share premium account		4,157,194	4,157,194
Retained earnings		(7,400,737)	(7,387,387)
TOTAL EQUITY		(438,918)	(425,568)
CURRENT LIABILITIES			
Trade and other payables	13	1,300,155	426,407
TOTAL CURRENT LIABILITIES		1,300,155	426,407
TOTAL LIABILITIES		1,300,155	426,407
TOTAL EQUITY AND LIABILITIES		861,237	839

The loss of the parent company for the year ended 31 December 2022 was £13,350 (2021: £17,662).

These financial statements were approved by the directors on 28 June 2023 and are signed on their behalf by:



J J May
Director



S J Adam
Director

Registered number: 05289187

The accompanying accounting policies and notes form part of these financial statements.

Consolidated statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total equity
	£	£	£	£
At 1 January 2022	2,804,625	4,157,194	(7,387,487)	(425,668)
Loss for the year	-	-	(13,350)	(13,350)
Total comprehensive income	2,804,625	4,157,194	(7,400,837)	(439,018)
Transactions with owners:				
Total transactions with owners	-	-	-	-
At 31 December 2022	2,804,625	4,157,194	(7,400,837)	(439,018)

	Share capital	Share premium account	Retained earnings	Total equity
	£	£	£	£
At 1 January 2021	2,804,625	4,157,194	(7,373,825)	(412,066)
Loss for the year	-	-	(13,662)	(13,662)
Total comprehensive income	2,804,625	4,157,194	(7,387,487)	(425,668)
Transactions with owners:				
Total transactions with owners	-	-	-	-
At 31 December 2021	2,804,625	4,157,194	(7,387,487)	(425,668)

The accompanying accounting policies and notes form part of these financial statements.

Company statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total equity
	£	£	£	£
At 1 January 2022	2,804,625	4,157,194	(7,387,387)	(425,568)
Loss for the year	-	-	(13,350)	(13,350)
Total comprehensive income	2,804,625	4,157,194	(7,400,737)	(438,918)
Transactions with owners:				
Total transactions with owners	-	-	-	-
At 31 December 2022	2,804,625	4,157,194	(7,400,737)	(438,918)

	Share capital	Share premium account	Retained earnings	Total equity
	£	£	£	£
At 1 January 2021	2,804,625	4,157,194	(7,369,725)	(407,906)
Loss for the year	-	-	(17,662)	(17,662)
Total comprehensive income	2,804,625	4,157,194	(7,387,387)	(425,568)
Transactions with owners:				
Total transactions with owners	-	-	-	-
At 31 December 2021	2,804,625	4,157,194	(7,387,387)	(425,568)

The accompanying accounting policies and notes form part of these financial statements.

Consolidated statement of cash flows

	Note	2022 £	2021 £
CASH FLOWS USED IN OPERATING ACTIVITIES	17	69	(1,528)
INVESTING ACTIVITIES			
Interest received		-	-
CASH FLOWS USED IN INVESTING ACTIVITIES		-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		69	(1,528)
Cash and cash equivalents brought forward		499	2,027
CASH AND CASH EQUIVALENTS CARRIED FORWARD	19	568	499

The accompanying accounting policies and notes form part of these financial statements.

Company statement of cash flows

	Note	2022 £	2021 £
CASH FLOWS USED IN OPERATING ACTIVITIES	17	69	(1,528)
INVESTING ACTIVITIES			
Interest received		-	-
CASH FLOWS USED IN INVESTING ACTIVITIES		-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		69	(1,528)
Cash and cash equivalents brought forward		499	2,027
CASH AND CASH EQUIVALENTS CARRIED FORWARD	19	568	499

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1. ACCOUNTING POLICIES

a. General Information

Red Leopard Holdings plc ("the Company") is a public liability company incorporated and domiciled in England. The address of the registered office is 50 Jermyn Street, London, SW1Y 6LX. , These financial statements are prepared in Pounds Sterling, because that is the currency of the primary economic environment in which the Company operates. The review of the business is contained within the Strategic Report on page 5.

b. Basis of preparation of financial statements

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the UK, IFRIC interpretations and the parts of the Companies Act 2006 applicable to companies reporting under IFRSs.

The financial statements have been prepared under the historical cost convention. Monetary amounts in these financial statements are rounded to the nearest £.

As at 31 December 2022 the group had cash balances of £568. To secure an acquisition or satisfy its investing policy the Group will require further funds to complete it. The Directors have prepared a cash flow forecast for the coming 12 months which demonstrates that the ability for the Company to actively pursue its investing policy is contingent upon raising of further funds in the range of £250k to £500k. The success of a future fundraise has been identified as a material uncertainty which may cast significant doubt over the going concern assessment. Whilst acknowledging this uncertainty, based upon the expectation of completing a successful fundraising in the near future, the Directors consider it appropriate to continue to prepare the financial statements of the Company on a going concern basis.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the parent company (its subsidiaries) made up to 31 December each year. Control is achieved where the company has the power to govern the financial statements and operating policies of an investee entity so as to obtain benefits from its activities.

The accounting policies of all subsidiaries are uniform with the parent company. The results of all subsidiaries are included in the consolidated financial statements.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

d. Segment reporting

In identifying its operating segments management generally follows the Group's service lines, which represent the main products and services provided by the Group.

Management consider that all activities undertaken by the Group are from one operating segment. The on-going sole activity of the Group, being the pursuit of acquisition opportunities have been allocated to one continuing operating segment.

The measurement policies the Group uses for segment reporting under IFRS 8 are the same as those used in its financial statements.

Notes to the financial statements

1. ACCOUNTING POLICIES (continued)

e. Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on a taxable loss for the year. Taxable profit/(loss) differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that the taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and recognised to the extent that it is probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on rates that are substantively enacted at the balance sheet date.

f. Investments

Subsidiary Undertakings

Investments in subsidiaries are valued at cost less provision for impairment.

g. Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets.

The equity investment is measured at fair value with gains and losses recognised in other comprehensive income and reported within the available for sale financial asset reserve within equity, except for impairment losses, which are recognised in profit or loss. An assessment for impairment is undertaken at least at each balance sheet date. Reversals of impairment losses are not recognised in profit or loss and any subsequent increase in fair value is recognised in other comprehensive income.

When the asset is disposed of or determined to be impaired, the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss.

Notes to the financial statements

1. ACCOUNTING POLICIES (continued)

h. Intangible assets – exploration and evaluation

Exploration and evaluation expenditure comprises costs that are directly attributable to:

- acquisition and maintenance of mining claims
- researching and analysing existing exploration data
- conducting geological studies, exploratory drilling and sampling
- examining and testing extraction and treatment methods and/or
- compiling pre-feasibility studies

Exploration expenditure relates to the initial search for deposits with economic potential, evaluation expenditure arises from a detailed assessment of deposits or other projects that have been identified as having economic potential. Exploration expenditure is not capitalised, except where it relates to the acquisition of rights to carry out exploration where there is a high degree of confidence that the project will be commercially viable. Exploration and evaluation expenditure is categorised as intangible assets except where it relates to items of plant and machinery used in the evaluation process.

The carrying values of capitalised evaluation expenditure are reviewed for impairment annually, or when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount, in accordance with IFRS 6 "Exploration for and Evaluation of Mineral Resources". For mines which have not yet been developed which have arisen through acquisition, there may only be inferred resources to form a basis for that review. The review is based upon the best information available to management, including the reports of independent expert evaluators. For the purposes of impairment review, exploration and evaluation assets are assessed against the criteria of IFRS 6 regarding assets which are not yet cash generating, which include the continuing right to exploration, the likelihood of commercial viability and the planned substantive expenditure on exploration and evaluation.

i. Financial assets and liabilities

Financial assets and liabilities are recognised on the group's balance sheet when the group becomes a party to the contractual provisions of the instrument.

(i) Trade and other receivables

Trade and other receivables are measured at initial recognition at fair value plus transaction costs, and are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. Any change in their value through impairment or reversal of impairment is recognised in the income statement.

Provision against trade and other receivables is made when there is objective evidence that the group will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

Notes to the financial statements

1. ACCOUNTING POLICIES (continued)

(ii) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and demand deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(iii) Financial liabilities and equity

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 group after deducting all of its liabilities. A financial liability is any liability which gives rise to a contractual obligation to deliver cash or another financial asset to another entity.

(iv) Bank borrowings

Interest-bearing bank loans and overdrafts are initially recorded at fair value, net of direct issue costs and subsequently at amortised cost using the effective interest rate method. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the income statement using the effective interest rate method.

(v) Convertible loan notes containing embedded derivatives

The Group may issue convertible loan notes which carry an option for the issuer to convert the liability into a variable number of equity shares.

Contracts which result in the entity delivering a variable number of its own equity instruments are classed as financial liabilities.

The conversion option is an embedded derivative and is carried at fair value through profit and loss. The convertible loan is also classified as a financial liability. It is recorded initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

When shares are issued in consideration for extinguishment of debt any difference between the face value of the loan notes and the fair value of shares issued is recognised in profit and loss.

(vi) Convertible loan notes accounted for as compound instruments

The Group may issue convertible loan notes which carry an option for the issuer to convert the liability into a fixed number of equity shares.

Contracts which result in the entity delivering a fixed number of its own equity instruments are classed as compound instruments, containing both a financial liability and an equity instrument.

Equity instruments are instruments that evidence a residual interest in the assets of an entity after deducting all of its liabilities. Therefore, when the initial carrying amount of the compound financial instrument is allocated to its equity and liability components, the equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component.

No gain or loss arises from initially recognising the components of the instrument separately.

(vii) Trade and other payables

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

Notes to the financial statements

1. ACCOUNTING POLICIES (continued)

(viii) Equity instruments

Equity instruments issued by the group or company are recorded at the proceeds received, net of direct issue costs.

Share warrants

The Company has issued share warrants which have been accounted for as equity instruments as the substance of the contractual arrangement is such that the warrants evidence a residual interest in the assets of the Company after deducting all liabilities.

(ix) Held for trading financial assets

Assets held in this category are measured at fair value with gains or losses recognised in profit or loss. The fair value of financial assets in this category are determined with reference to active market transactions.

j. Equity and reserves

(i) Share capital

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

(ii) Share premium

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, to the extent there is a premium on that issue, net of any related income tax benefits.

(iii) Equity-settled share based payment

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example, profitability and sales growth targets).

All equity-settled share-based payments are ultimately recognised as an expense in profit and loss with a corresponding credit to equity reserve.

If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are revised subsequently if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognised in prior periods if share options that have vested are not exercised.

Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

Notes to the financial statements

1. ACCOUNTING POLICIES (continued)

k. Exceptional items

The group identified and reports material, non-recurring costs and income as exceptional items separately from underlying operating expenses and income. Exceptional items may include impairment charges and acquisition costs.

l. Key estimates and judgements

The directors have identified the following as key judgements in the preparation of the group accounts:

- deferred tax asset (Note 8)
- assessment of going concern (Note 2)

To secure an acquisition or satisfy its investing policy the Group will require further funds to complete it. The Directors have prepared a cash flow forecast for the coming 12 months which demonstrates that the ability for the Company to actively pursue its investing policy is contingent upon raising of further funds in the range of £250k to £500k. The success of a future fundraise has been identified as a material uncertainty which may cast significant doubt over the going concern assessment. Whilst acknowledging this uncertainty, based upon the expectation of completing a successful fundraising in the near future, the Directors consider it appropriate to continue to prepare the financial statements of the Company on a going concern basis.

The group has a potential deferred tax asset of £951,643 in respect of losses. This asset has not been recognised at 31 December 2022 due to the history of trading losses in the group and the uncertainty around the source of the Group's future trade.

The directors have identified the following as a key source of estimation in the preparation of the Group accounts:

Share-based payment expenses are calculated by reference to the estimated fair values of share options as at their date of grant. These fair values have been estimated using a Black-Scholes option valuation model. The inputs to the model are disclosed in Note 16.

Notes to the financial statements

1. ACCOUNTING POLICIES (continued)

m. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

New standards, interpretations and amendments adopted from 1 January 2022

The following amendments are effective for the period beginning 1 January 2022:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
- References to Conceptual Framework (Amendments to IFRS 3). These amendments to various IFRS standards are mandatorily effective for reporting periods beginning on or after 1 January 2022. These standards have not had any material impact on the amounts reported for the current and prior years.

New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the company has decided not to adopt early. The following amendments are effective for the period beginning 1 January 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8); and
- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).

The company is currently assessing the impact of these new accounting standards and amendments and expects there will be no material impact on the financial statements of the company.

2. GOING CONCERN

As at 31 December 2022 the group had cash balances of £568. To secure an acquisition or satisfy its investing policy the Group will require further funds to complete it. The Directors have prepared a cash flow forecast for the coming 12 months which demonstrates that the ability for the Company to actively pursue its investing policy is contingent upon raising of further funds. The success of a future fundraise has been identified as a material uncertainty which may cast significant doubt over the going concern assessment. Whilst acknowledging this uncertainty, based upon the expectation of completing a successful fundraising in the near future, the Directors consider it appropriate to continue to prepare the financial statements of the Company on a going concern basis.

3. OPERATING LOSS

Operating loss is stated after charging:

	2022	2021
	£	£
Fees payable to the company's auditor :		
- for the audit of the financial statements	8,950	8,950

Notes to the financial statements

4. STAFF COSTS

Staff costs, being amounts payable to key management personnel, were as follows:

	2022 £	2021 £
Wages and salaries	-	-
	-	-

The average monthly number of employees during the year, including directors was as follows:

	No.	No.
Directors	3	4

5. DIRECTORS' REMUNERATION

Directors' emoluments were as follows:

Director	2022 Salary and total emoluments £	2021 Salary and total emoluments £
J J May	-	-
T Hayward	-	-
S J Adam	-	-
T Hoyer	-	-
Total	-	-

The directors agreed not pay or accrue fees during the period or to settle any accrued outstanding amount until the Company completes an acquisition of any asset, company or companies.

No retirement benefits were accruing to directors at 31 December 2022 (2021: £nil). The directors received £nil (2021: £nil) in respect of share based payments.

6. FINANCE INCOME

	2022 £	2021 £
Bank interest	-	-
	-	-

7. FINANCE COST

	2022 £	2021 £
Total interest expense for financial liabilities	-	-
	-	-

Notes to the financial statements

8. TAX EXPENSE

Recognised in the statement of comprehensive income

	2022 £	2021 £
Loss on ordinary activities before tax	<u>(13,350)</u>	<u>(13,662)</u>
Loss on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 19% (2021: 19%)	(2,537)	(2,596)
Effects of:		
Increase in tax losses	<u>2,537</u>	<u>2,596</u>
Current charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The group has tax losses in respect of excess management expenses carried forward of £3,806,573 (2021: £3,793,223) that are available for offset against future taxable profits.

If the group pays tax at a rate of 25% on profits in future periods, the current tax losses represent a potential deferred tax asset of £951,643 (2021: £720,712). This asset has not been recognised at 31 December 2022 due to the history of trading losses in the group. These remain un-provided as it is not anticipated that the Group will make qualifying profits against which these may be offset in the foreseeable future but they are available indefinitely for offset against future taxable income.

9. (LOSS)/EARNINGS PER SHARE

Basic earnings per ordinary share for the year is based on the loss of £13,350 (2021: £13,662) and a weighted average of 1,528,779,061 (2021: 1,528,779,061) ordinary shares.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potential dilutive ordinary shares. Items included in the calculation are options and warrants for ordinary shares.

The effect of conversion of all potential dilutive ordinary shares would have an anti-dilutive effect on earnings per share and therefore they have not been incorporated in the diluted earnings per share calculation. Potential ordinary shares are only treated as dilutive when their conversion to ordinary shares would decrease profit per share or increase loss per share.

10. SEGMENT REPORTING

Following the Group's change in strategy to be an investing company, management currently considers that the group has one operating segment as described in accounting policy 1(c). Segment information can be analysed as follows for the reporting periods under review.

	Investment strategy 2022 Continuing operations £	Total 2022 £	Investment strategy 2021 Continuing operations £	Total 2021 £
Segment operating loss	<u>(13,350)</u>	<u>(13,350)</u>	<u>(13,662)</u>	<u>(13,662)</u>
Segment assets	<u>858</u>	<u>858</u>	<u>739</u>	<u>739</u>

Notes to the financial statements

11. INVESTMENTS

Company investment in subsidiaries - Shares in Group undertakings

	Company	
	2022	2021
	£	£
Non-current		
At 1 January	100	4,100
Impairment	-	(4,000)
At 31 December	<u>100</u>	<u>100</u>

Subsidiaries are listed in Note 22.

12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Current				
Other receivables	860,569	240	860,569	240
	<u>860,569</u>	<u>240</u>	<u>860,569</u>	<u>240</u>

13. TRADE AND OTHER PAYABLES

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Current				
Trade payables	955,527	94,913	955,527	94,913
Loans (Note 14)	162,735	149,601	162,735	149,601
Accruals	181,893	181,893	181,893	181,893
	<u>1,300,155</u>	<u>426,407</u>	<u>1,300,155</u>	<u>426,407</u>

The carrying values are considered to be a reasonable approximation to fair value.

14. BORROWINGS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Current				
Short term loans	<u>162,735</u>	<u>149,601</u>	<u>162,735</u>	<u>149,601</u>

The Company has short term loans outstanding amounting to £162,735 (2021: £149,601) repayable on demand. Loans received in the year of £13,134 (2021: £12,261) are from some of the Directors. The holders have agreed not to call upon any loan notes until sufficient new funds are received that allow the business to finance itself going forward and waived the right to the receipt of interest above base rate as provided for under the loan agreements. These loans do not carry any conversion options.

Notes to the financial statements

15. SHARE CAPITAL

	2022 £	2021 £
Authorised, Allotted, called up and fully paid		
Ordinary shares		
Beginning of the year	1,528,778	1,528,778
New Shares issued	-	-
As at 31 December (1,528,779,061) ordinary shares of 0.1 pence (2021: 1,528,779,061 ordinary shares of 0.1p each))	1,528,778	1,528,778
Deferred shares		
At the beginning of the period	1,275,847	1,275,847
As at 31 December (1,275,846,391 deferred shares of 0.1 pence (2021: 1,275,846,391 deferred shares of 0.1 pence))	1,275,847	1,275,847
	2,804,625	2,804,625

16. SHARE-BASED PAYMENTS

A reconciliation of option movements during the year is shown below:

	Year ended 31 December 2022		Year ended 31 December 2021	
	No. of share options	Weighted average exercise price	No. of share options	Weighted average exercise price
Outstanding at the beginning of year	42,495,406	0.4	42,495,406	0.4
Issued during the year	-	-	-	-
Expired during the year	-	-	-	-
Exercisable at the end of the year	42,495,406	0.4	42,495,406	0.4

During 2017, the Company issued 22,495,406 options under the Company's 2013 Unapproved Share Option Scheme ("the Options"). The Options vest as follows: (a) 50% shall vest when the Company's share price reaches 0.4 pence per share or above for a continuous period of 30 trading days; and (b) 50% shall vest when the Company's share price reaches 0.6 pence or above for the same period. The Options have an exercise price of 0.1 pence per share and are exercisable for a period of 2 years from the relevant vesting date. Key inputs into the valuation of options include exercise price, expected life and volatility.

A further 20,000,000 options were issued under the Company's 2017 Unapproved Share Option Scheme (the "2017 Options") with an exercise price of 0.5 pence per share for the first 10,000,000 and 1.0 pence for the remaining 10,000,000. Under the 2017 Options, the options vest as follows: (a) 50% shall vest when the Company's share price reaches 0.5 pence per share or above for a continuous period of 30 trading days; and (b) 50% shall vest when the Company's share price reaches 1.0 pence or above for the same period. The Options are exercisable for 2 years from the relevant vesting date.

Notes to the financial statements

17. RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES

	2022 £	2021 £
Group		
Loss for the year	(13,350)	(13,662)
Decrease/(increase) in receivables	(50)	(29)
Increase/(decrease) in payables	13,469	12,163
Net cash used in continuing operations	69	(1,528)
Net cash inflow/(outflow) used in operations	69	(1,528)
Company		
Loss for the year	(13,350)	(17,662)
Impairment	-	4,000
Decrease/(increase) in receivables	(50)	(29)
Increase/(decrease) in payables	13,469	12,163
Net cash used in continuing operations	69	(1,528)
Net cash inflow/(outflow) used in operations	69	(1,528)

18. PARENT COMPANY RESULT

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

The loss for the year dealt with in the accounts of the company was £13,350 (2021: £17,662).

Notes to the financial statements

19. FINANCIAL INSTRUMENTS

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

Group	2022 £	2021 £
Financial assets		
<i>Loans and receivables:</i>		
Trade and other receivables	860,569	240
Cash and cash equivalents	568	499
	<u>861,137</u>	<u>739</u>
Financial liabilities		
<i>Financial liabilities measured at amortised cost:</i>		
Current:		
Loans	(162,735)	(149,601)
Trade and other payables	(1,137,420)	(276,806)
	<u>(1,300,155)</u>	<u>(426,407)</u>
	2022 £	2021 £
Company		
Financial assets		
<i>Loans and receivables:</i>		
Trade and other receivables	860,569	240
Cash and cash equivalents	568	499
	<u>861,137</u>	<u>739</u>
Financial liabilities		
<i>Financial liabilities measured at amortised cost:</i>		
Current:		
Loans	(162,735)	(149,601)
Trade and other payables	(1,137,420)	(276,806)
	<u>(1,300,155)</u>	<u>(426,407)</u>

The carrying values of the Group's financial assets and liabilities approximate to their fair values.

Financial assets comprise cash and cash equivalents, trade and other receivables and exclude prepayments.

The financial liabilities are all short-term liabilities and due on demand or within agreed contractual terms.

Notes to the financial statements

19. FINANCIAL INSTRUMENTS (continued)

Risk management

The board is charged with managing the various risk exposures, including those which arose through holding the following financial instruments which apply to both the Group and the Company:

(a) Capital risk management

The Group manages its capital to ensure that all the companies within the Group will be able to continue as a going concern while maximising the return to equity holders, through optimisation of debt equity balance. The capital structure of the Group includes debt, consisting of borrowings, cash and cash equivalents and equity attributable to the equity holders of the parent. Where necessary additional loans are provided to the Group to ensure liquidity at critical times.

Capital for the reporting period under review is summarised as follows:

	2022 £	2021 £
Total equity	(439,018)	(425,668)
Borrowings	(162,735)	(149,601)
Cash and cash equivalents	568	499
Capital	(601,185)	(574,770)

(b) Interest rate risk

The Group is exposed to interest rate risk as it has borrowings and cash and cash equivalent balances that are subject to variable interest rates. The Group does not enter into hedging transactions for the purposes of minimising its exposure to interest rate risk, but manages its exposure by monitoring the levels of interest payable and receivable on a regular basis.

At 31 December 2022 amounts on short term deposits totalled £568 (2021: £499). Loans receivables and loan notes are contracted at a fixed rate of interest.

(c) Liquidity rate risk

The Group's approach to liquidity risk is to ensure that sufficient liquidity is available to meet foreseeable requirements, by having adequate reserves, banking and borrowing facilities and by investing funds securely and profitably. The board further manages its exposure to liquidity risk by ensuring that cash flow forecasts and budgets are produced annually and monitored on a regular basis. All trade payables and borrowings have a maturity date of within one year.

(d) Credit rate risk

Credit risk refers to the risk that a third party will default on its contractual obligations resulting in financial loss to the Group. The Group manages the exposure to this risk by carrying out credit verification procedures on all clients and monitoring receivable balances on an ongoing basis. The Company's receivable balance principally comprises amounts due from other group companies for financing purposes.

Notes to the financial statements

20. RELATED PARTY TRANSACTIONS

Loan notes held by John May and connected parties total £148,741 (2021: £135,607). The terms of the loan notes are detailed in Note 14.

21. ULTIMATE CONTROLLING PARTY

As at 31 December 2022 and 31 December 2021 there is no single ultimate controlling party.

22. PRINCIPAL SUBSIDIARIES

Company name	Country	Registered office address	Percentage shareholding	Description and status
Harrell Hotels (Europe) Limited	England & Wales	50 Jermyn Street London SW1Y 6LX	100%	Hotel management - trading
Red Leopard Management Limited	England & Wales	50 Jermyn Street London SW1Y 6LX	100%	Property management - trading