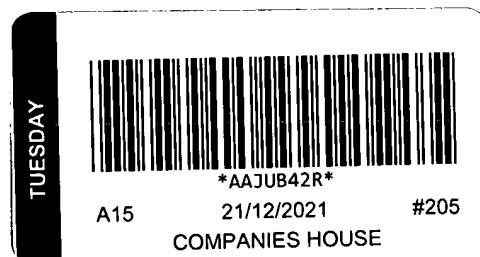


Registered number: 05390107

## **eleQtra Limited**

### **Report and Group Financial Statements**

31 December 2020



**Directors**

G J Cohen

R P Parry

**Auditors**

Crowe U.K. LLP

55 Ludgate Hill

London

EC4M 7JW

**Registered Office**

55 Ludgate Hill

London

EC4M 7JW

# Directors' report

The directors present their report and financial statements of eleQtra Limited ("the Company") and its subsidiaries (together "the Group") for the year ended 31 December 2020.

## Results and dividends

The Group profit for the year after taxation amounted to £158,176 (2019 loss: £131,291). The directors did not pay a dividend during the year (2019 £135,850). In addition, due to the pandemic and to manage the working capital of the business, the directors received a lower level of remuneration in 2020 as outlined in note 6.

## Directors

The directors who served the Company during the year and at the date of this report were as follows:

G J Cohen

R P Parry

E A Hamilton (resigned on 1 April 2020)

## Statement of directors' responsibilities

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 the Company and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the directors' report which comply with the requirement of the Companies Act 2006; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

## Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

## Directors' report

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'G Cohen', with a horizontal line drawn through the middle of the signature.

Gad Cohen

14 December 2021

# Independent auditors' report

to the members of eleQtra Limited

## Opinion

We have audited the financial statements of eleQtra Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2020 which comprise Group profit and loss account, Group statement of other comprehensive income, Group and Company balance sheet, Group and Company statement of changes in equity, Group statement of cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and Company's affairs as at 31 December 2020 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

## 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 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, 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

# **Independent auditors' report**

**to the members of eleQtra Limited**

We have nothing to report in this regard.

## **Opinion on other matter 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 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 2, 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 and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the 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.

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:

# Independent auditors' report

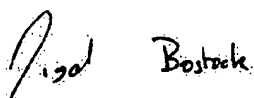
to the members of eleQtra Limited

- We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and relevant taxation legislation.
- We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.
- Owing 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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.
- These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nigel Bostock  
Senior Statutory Auditor  
for and on behalf of

**Crowe U.K. LLP**  
Statutory Auditor  
55 Ludgate Hill  
London  
EC4M 7JW

14 December 2021

## Group profit and loss account

for the year ended 31 December 2020

	Notes	2020 £	2019 £
<b>Turnover</b>	4	2,764,161	3,774,480
Development costs		(225,987)	(613,031)
Administrative expenses		(2,314,181)	(3,382,217)
<b>Operating profit/(loss)</b>	5	223,993	(220,768)
Interest receivable and similar income		285	2,678
Interest payable and similar expense		—	—
<b>Profit/(loss) on ordinary activities before taxation</b>		224,278	(218,090)
Tax	8	(66,102)	86,799
<b>Profit/(loss) for the financial year</b>		158,176	(131,291)

All amounts relate to continuing activities.

## Group statement of other comprehensive income

for the year ended 31 December 2020

	2020 £	2019 £
Profit/(loss) for the financial year	158,176	(131,291)
Exchange difference on translation	(18,153)	(10,174)
<b>Total comprehensive profit/(loss) for the year</b>	140,023	(141,466)

Notes 1 to 23 form an integral part of these financial statements



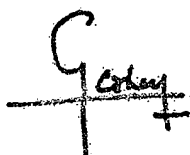
# Group balance sheet

at 31 December 2020

Company registered number: 05390107

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	9	–	–
Intangible assets	10	37,530	–
		<u>37,530</u>	<u>–</u>
<b>Current assets</b>			
Debtors	12	760,952	1,155,120
Debtors: amounts due after more than one year	14	–	25,217
Cash at bank and in hand		940,871	248,346
		<u>1,701,823</u>	<u>1,428,682</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(1,341,258)</u>	<u>(1,222,663)</u>
<b>Net current assets</b>		<u>360,565</u>	<u>206,020</u>
<b>Total assets less current liabilities</b>		<u>398,095</u>	<u>206,020</u>
<b>Creditors: amounts falling due after one year</b>	18	(45,833)	–
<b>Provisions for liabilities</b>	14	<u>(3,307)</u>	<u>–</u>
<b>Net assets</b>		<u>348,955</u>	<u>206,020</u>
<b>Capital and reserves</b>			
Called up share capital	15	1,002	1,002
Other reserve	16	11,910	8,998
Translation reserve	16	42,339	60,492
Profit and loss account	16	<u>293,704</u>	<u>135,528</u>
<b>Shareholders' funds</b>		<u>348,955</u>	<u>206,020</u>

The financial statements were approved by the Board of Directors on the 14 December 2021 and were signed on its behalf by:



Gad Cohen  
Director

Notes 1 to 23 form an integral part of these financial statements

## Company balance sheet

at 31 December 2020

Company registered number: 05390107

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Investments	11	100	–
		<u>100</u>	<u>–</u>
<b>Current assets</b>			
Debtors	12	825,479	1,250,389
Debtors: amounts due after more than one year	14	–	25,217
Cash at bank and in hand		825,324	220,884
		<u>1,650,803</u>	<u>1,496,489</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(1,378,544)</u>	<u>(1,545,670)</u>
<b>Net current (liabilities)/assets</b>		<u>272,259</u>	<u>(49,181)</u>
<b>Total assets less current liabilities</b>		<u>272,359</u>	<u>(49,181)</u>
<b>Creditors: amounts falling due after one year</b>	18	(45,833)	–
<b>Provisions for liabilities</b>	14	<u>(3,307)</u>	<u>–</u>
<b>Net asset/(liabilities)</b>		<u>223,219</u>	<u>(49,181)</u>
<b>Capital and reserves</b>			
Called up share capital	15	1,002	1,002
Other reserve	16	11,910	8,998
Profit and loss account	16	<u>210,307</u>	<u>(59,181)</u>
<b>Shareholders' funds</b>		<u>223,219</u>	<u>(49,181)</u>

The net profit for the Company for the financial year ended 31 December 2020 was £269,488 (2019: net loss of £116,262).

The financial statements were approved by the Board of Directors on the 14 December 2021 and were signed on its behalf by:



Gad Cohen  
Director

Notes 1 to 23 form an integral part of these financial statements

## Group statement of changes in equity

at 31 December 2020

	Share capital £	Other reserve £	Translation reserve £	Retained earnings £	Total equity £
<b>At 1 January 2019</b>	1,002	9,554	70,666	402,669	483,891
Loss for the year	-	-	-	(131,291)	(131,291)
<b>Comprehensive income</b>					
Exchange difference on translation	-	-	(10,174)	-	(10,174)
<b>Transaction with owners</b>					
Options forfeited	-	(556)	-	-	(556)
Interim dividends paid	-	-	-	(135,850)	(135,850)
<b>At 31 December 2019</b>	1,002	8,998	60,492	135,528	206,020
Profit for the year	-	-	-	158,176	158,176
<b>Comprehensive income</b>					
Exchange difference on translation	-	-	(18,153)	-	(18,153)
<b>Transaction with owners</b>					
Options issued	-	2,912	-	-	2,912
Interim dividends paid	-	-	-	-	-
<b>At 31 December 2020</b>	1,002	11,910	42,339	293,704	348,955

Notes 1 to 23 form an integral part of these financial statements

## Company statement of changes in equity

at 31 December 2020

	Share capital £	Other reserve £	Retained earnings £	Total equity £
<b>At 1 January 2019</b>	1,002	9,554	192,931	203,487
Loss for the year	-	-	(116,262)	(116,262)
<b>Transaction with owners</b>				
Options forfeited	-	(556)	-	(556)
Interim dividend paid	-	-	(135,850)	(135,850)
<b>At 31 December 2019</b>	1,002	8,998	(59,181)	(49,181)
Profit for the year	-	-	269,488	269,488
<b>Transaction with owners</b>				
Interim dividend paid	-	-	-	-
Options charged	-	2,912	-	2,912
<b>At 31 December 2020</b>	1,002	11,910	210,307	223,219

Notes 1 to 23 form an integral part of these financial statements

## Group statement of cash flows

for the year ended 31 December 2020

	2020 £	2019 £
<b>Cash flow from operating activities</b>		
Operating (loss)/profit	223,993	(220,768)
Adjustments for:		
Depreciation of tangible fixed assets	-	10,787
Share based payment	2,912	(556)
(Reversal)/provision of doubtful debts	-	(260,746)
	226,905	(471,283)
Movements in working capital:		
(increase)/decrease in debtors	355,369	156,439
(decrease)/increase in creditors	98,417	(432,689)
Cash used in operations	680,691	(747,533)
Taxation paid	-	(101,027)
Net cash used in operating activities	680,691	(848,560)
<b>Cash flow from investing activities</b>		
Interest received	285	2,678
Net cash from the acquisition of subsidiary	(37,640)	-
Net cash generated from/(used in) investing activities	(37,335)	2,678
<b>Cash flow from financing activities</b>		
Dividends paid	-	(135,850)
Borrowing	50,000	-
Net cash used in financing activities	50,000	(135,850)
Net increase (decrease) in cash and cash equivalents	693,336	(981,732)
Cash and cash equivalents at the beginning of the year	248,346	1,240,252
Exchange differences on translation	(811)	(10,174)
Cash and cash equivalents at the end of the year	940,871	248,346

Notes 1 to 23 form an integral part of these financial statements

## Notes to the financial statements

for the year ended 31 December 2020

### 1. General information

EleQtra Limited (the "Company") is a private company limited by share (registration number 05390107), which is incorporated and domiciled in the UK.

The principal activity of the Company continued to be that of project development in Sub-Saharan Africa. The address of the registered office is 55 Ludgate Hill, London, EC4M 7JW.

The financial statements are presented in Sterling, which is also the functional currency of the Company.

### 2. Accounting policies

#### *Basis of preparation*

The financial statements are prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in United Kingdom and the Republic of Ireland and the Company Act 2006.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to its separate financial statements. Exemptions have been taken in relation to the presentation of the statement of cash flow.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company is not required to present a separate profit and loss account as permitted by section 408 of the Companies Act 2006.

The following principal accounting policies have been applied:

#### *Going concern*

The financial statements for the Group and Company have been prepared on a going concern basis. In making this assessment the Directors have considered the following key assumptions and factors:

- The Group had net assets of £348,955 at 31 December 2020 (2019: £206,020) and the Group made a profit for the financial year then ended of £158,716 (2019: loss of £131,291).
- The Group and Company's principal activity has primarily comprised their operation of a long-term contract with InfraCo Africa Limited for the provision of development services up to April 2021 and beyond which is now effectively focused on the completion of a number of projects. The agreement with InfraCo Africa provides for the survival of entitlements of success fees for projects that closed during the life of the contract (plus two years). The Group and Company evaluate and anticipate that there will continue to be committed funding to fulfil these services and meet ongoing costs for the projects currently in progress. Further revenue streams may arise in respect of additional success fees generated on completion of such projects.
- The Directors continue to explore new business opportunities and projects for the Group and Company as they seek wider diversification of the business and future project, investment and funding opportunities.
- The Directors can take mitigating actions as necessary to manage the cost base of the business and cash flow requirements in the event of any shortfall in funding and/or reduction in anticipated revenues and/or any early termination of funding and/or the contract with InfraCo Africa Limited.
- In evaluating the net assets/net liabilities of the Group and Company the directors have considered the level of accrued income which results from billings and proceeds received in advance of work undertaken which assists in managing the working capital requirements of the business and anticipate that a similar cycle will continue to follow over the next 12 months. Management continues to anticipate and have a reasonable expectation that, based upon these key assumptions and factors, the Group and Company should be cash generative and be able to meet their working capital requirements, debts and liabilities as they fall due.

# Notes to the financial statements

for the year ended 31 December 2020

## 2. Accounting policies (continued)

### *Going concern (continued)*

The COVID-19 pandemic has not had a significant impact on the Group's operations. The Group has adopted a policy which requires its employees to work from home, it has also put in place in the African offices protocols to mitigate risk, for example, by not taking public transport and always following social distancing rules. The Company has also utilised the various support mechanisms instigated by the UK government.

After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparing the financial statements.

The financial statements do not include any adjustments that may result from any significant changes in the assumptions used.

### *Basis of consolidation*

The Group financial statements consolidate the results of the Company and its subsidiary, eleQtra Inc, for the year ended 31 December 2020.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

### *Turnover*

Turnover, which is stated net of value added tax, represents fees receivable for:

- Project development on behalf of InfraCo Africa.
- Achieving KPI targets under new services agreement with InfraCo Africa.
- Bonuses obtained in connection to closing projects.
- Consultancy fees in relation to the operation and maintenance of project companies that have reached financial close.

All fees are recognised on a receivable basis when the group obtains the right to consideration in exchange for its performance of services.

### *Tangible fixed assets*

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Leasehold improvements	–	over the term of the lease
Computer and office equipment	–	50% per annum straight-line
Furniture and fittings	–	50% per annum straight-line

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

### *Intangible assets*

Intangible assets consist of goodwill arising on the acquisition of subsidiaries and represents the difference between the fair value of the consideration payable and the fair value of the net assets that have been acquired.

## Notes to the financial statements

for the year ended 31 December 2020

### 2. Accounting policies (continued)

#### *Investments*

The Group may hold investment into financial instruments from time to time. These investments carried at cost less provision for impairment.

The carrying values of investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

#### *Debtors*

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### *Cash and cash equivalents*

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### *Financial instruments*

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.



## Notes to the financial statements

for the year ended 31 December 2020

### 2. Accounting policies (continued)

#### *Creditors*

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### *Deferred taxation*

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### *Foreign currencies*

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

Exchange differences on translating US subsidiary are recognised in the other comprehensive income.

#### *Operating leases*

Rentals under operating leases are charged on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

#### *Pensions*

The Company contributes to defined contribution pension policies individually held by the directors and staff. Contributions to these funds are charged to the profit and loss account as and when they fall due.

#### *Holiday pay accrual*

A liability is recognised to the extent of any unused holiday pay entitlement, which is accrued at the Balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance sheet date.

## Notes to the financial statements

for the year ended 31 December 2020

### 2. Accounting policies (continued)

#### ***Profit-sharing and bonus plans***

The group recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

#### ***Share based payment***

The Group provides share-based payment arrangements to certain employees.

Equity-settled arrangements are measured at fair value (excluding the effect on non-market based vesting conditions) at the date of the grant. The fair value is expensed on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number of shares or options that will vest.

Where equity-settled arrangements are modified, and are of benefit to the employee, the incremental fair value is recognised over the period from the date of modification to date of vesting. Where a modification is not beneficial to the employee there is no change to the charge for share-based payment. Settlements and cancellations are treated as an acceleration of vesting and the unvested amount is recognised immediately in the income statement.

The Group has no cash-settled arrangements.

#### ***Business combinations and goodwill***

Business combinations are accounted for by applying the purchase method

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Intangible assets are only recognised separately from goodwill where they are separable and arise from contractual or other legal rights. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the group's interest in the identifiable net assets, liabilities and contingent liabilities acquired

On acquisition, goodwill is allocated to cash-generating units ('CGU's') that are expected to benefit from the combination.

Goodwill is amortised over its expected useful life which is estimated to be five years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. No reversals of impairment are recognised.

## Notes to the financial statements

for the year ended 31 December 2020

### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

#### **Allowance for trade and other debtors**

Management reviews debtors for objective evidence of impairment regularly. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a debtor is impaired. In determining this, management make a judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates.

### 4. Turnover

£2,313,911 (2019: £3,552,025) of the Group turnover is the result of activities carried out in the United Kingdom from services carried under a contract with InfraCo Africa Limited, a company registered in England and Wales. £103,105 (2019: £104,887) of the Group turnover is the result of activities carried out by the Company and its subsidiary in respect of a project being developed in Mozambique from services carried under a contract with Globeleq plc, a company registered in England and Wales. £347,235 (2019: £117,568) of the Group turnover is the result of activities carried out by the Group in respect of a project being developed in Ghana from services carried under a contract with Engie SA, a company registered in France.

### 5. Operating profit

This is stated after charging:

	2020	2019
	£	£
Auditors' remuneration		
Fee payable to the parent company's auditor in respect to the audit of the group and company's financial statements	22,000	22,000
Fee payable to the parent company's auditor in respect to the non-audit service relating to taxation	5,350	5,000
Depreciation of tangible fixed assets	-	10,787
Provision of doubtful debts – (credit)/charge	-	(260,746)
Operating lease rentals	61,465	151,758
Foreign exchange loss	30,381	(36,898)

### 6. Directors' remuneration

	2020	2019
	£	£
Remuneration	428,840	832,246
Highest paid director	219,984	462,375

The directors are considered as the key management of the business.

## Notes to the financial statements

for the year ended 31 December 2020

### 7. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2020	2019
	£	£
Wages and salaries	1,627,382	2,161,097
Social security costs	123,810	131,619
Other pension costs	58,105	60,717
	<u>1,809,297</u>	<u>2,353,433</u>

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

	No.	No.
Administration/compliance	7	7
Management and Development Team	7	7
	<u>14</u>	<u>14</u>

### 8. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2020	2019
	£	£
<b>Current tax:</b>		
UK corporation tax charge /(credit back) for the year	36,799	(59,791)
Adjustment in respect of prior periods	-	(26,850)
	<u>36,779</u>	<u>(86,641)</u>
Foreign tax – current year	-	-
Overseas tax	779	19,573
Total current tax	<u>37,578</u>	<u>(67,068)</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	31,490	(26,678)
Adjustment in respect of previous years	(2,966)	6,948
Total deferred tax	<u>28,524</u>	<u>(19,731)</u>
Total tax charge/(credit back)	<u>66,102</u>	<u>(86,799)</u>

## Notes to the financial statements

for the year ended 31 December 2020

### 8. Tax (continued)

(b) Factors affecting the current tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20% (2019 – 20%). The differences are explained below:

	2020 £	2019 £
Profit/(loss) on ordinary activities before tax	224,815	(218,090)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2018 – 19%)	42,715	(41,437)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	25,515	(28,598)
Adjustment in respect of prior periods & changes in rate of tax	(2,128)	(16,764)
Current tax for the year (note 9(a))	66,102	(86,798)

(c) Deferred tax

	£
At 1 January	(25,217)
Deferred tax charge for the year	28,524
At 31 December (note 14)	3,307

The deferred tax liability/(asset) consists of:

	2020 £	2019 £
Accelerated capital allowances	(183)	(200)
Other timing differences	3,490	(25,017)
	3,307	(25,217)

## Notes to the financial statements

for the year ended 31 December 2020

### 9. Tangible fixed assets

<i>Group</i>	<i>Leasehold improvements</i> £	<i>Computer and office equipment</i> £	<i>Furniture and fittings</i> £	<i>Total</i> £
Cost:				
At 1 January 2020	4,912	30,882	28,241	64,035
Disposals	-	-	-	-
Foreign exchange movement	-	-	-	-
At 31 December 2020	4,912	30,882	28,241	64,035
Depreciation:				
At 1 January 2020	(4,912)	(30,882)	(28,241)	(64,035)
Charge for year	-	-	-	-
Disposals	-	-	-	-
Foreign exchange movement	-	-	-	-
At 31 December 2020	(4,912)	(30,882)	(28,241)	(64,035)
Net book value:				
At 31 December 2020	-	-	-	-
At 31 December 2019	-	-	-	-

### 10. Intangible fixed assets

	<i>Goodwill</i> £
At 1 January 2020	-
Addition	37,530
At 31 December 2020	37,530
Amortisation:	
At 1 January 2020	-
Charge for year	-
At 31 December 2020	-
Net book value:	
At 31 December 2020	37,530
At 31 December 2019	-

As described in note 23, the goodwill arising from the acquisition of LeonaWind SUARL, a company incorporated in Senegal, for a consideration of US\$50,000.

## Notes to the financial statements

for the year ended 31 December 2020

### 11. Investments

	<i>Unlisted investments</i>
<i>Cost:</i>	<i>£</i>
At 31 December 2019	-
At 31 December 2020	100

The Company owns 100% of the share capital (nominal value) of eleQtra Inc, a company incorporated in the USA. Its principal activity is that of project management and its registered address is 112 West 34<sup>th</sup> Street, 18<sup>th</sup> Floor, New York, NY, 10020.

The Company also owns 100% of the share capital of Ada Holding Limited (formerly known as Senegal Wind Limited), a dormant company incorporated in England and Wales with the same registered address of the Company.

During the year, the Company newly incorporated a wholly owned subsidiary, Leona Holding Limited, an investment holding company with the same registered address of the Company. During the same period, Leona Holding Limited also acquired the entire share capital of LeonaWind SUARL, as set out in note 23.

### 12. Debtors

	<i>Group</i>		<i>Company</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Amounts owed by group undertakings	-	-	143,085	181,572
Amounts owed by related undertakings	611,964	730,381	611,964	730,381
Withholding tax	6,135	6,135	6,135	6,135
Trade debtors	65,081	68,334	9,274	68,334
Other debtors	36,072	219,824	32,129	146,693
Overseas tax recoverable	18,708	10,683	-	-
Corporation tax	20,992	59,791	22,992	59,791
Prepayments	-	59,973	-	57,482
	<u>760,952</u>	<u>1,155,120</u>	<u>825,579</u>	<u>1,250,389</u>

### 13. Creditors: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Bank loan (note 18)	4,167	-	4,167	-
Trade creditors	195,110	184,846	195,110	184,846
Amounts owed to group undertakings	-	-	312,461	461,577
Other taxes and social security costs	311,835	128,780	293,275	117,732
Other creditors	300,617	193,320	300,000	184,372
Accruals	529,529	715,717	273,531	597,143
	<u>1,341,258</u>	<u>1,222,663</u>	<u>1,378,544</u>	<u>1,545,670</u>

## Notes to the financial statements

for the year ended 31 December 2020

### 14. Provisions for deferred tax

<i>Group and company</i>	<i>Deferred tax (asset)/liabilities £</i>	<i>Total £</i>
At 1 January 2020	(25,217)	(25,217)
Charge for the year	28,524	28,524
At 31 December 2020	<u>3,307</u>	<u>3,307</u>

### 15. Issued share capital

	<i>2020</i>		<i>2019</i>	
<i>Allotted, called up and fully paid</i>	<i>No.</i>	<i>£</i>	<i>No.</i>	<i>£</i>
Ordinary shares of £0.01 each	100,200	<u>1,002</u>	100,200	<u>1,002</u>

### 16. Reserve

Other reserve – is the recognition of the fair value on the stock options issued to staff.

Translation reserve – comprises translation differences arising from the translation of financial statements of the Group's foreign entities into Sterling (£).

Profit and loss account – include all current and prior period retained profits and losses.

### 17. Pensions

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £87,444 (2019 – £60,717). Contributions totalling £16,468 (2019 – £32,328 repayable) were repayable by the fund at the balance sheet date.

### 18. Loan and borrowing

	<i>Group</i>		<i>Company</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Bank loan	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
Current liabilities	<u>4,167</u>	<u>-</u>	<u>4,167</u>	<u>-</u>
Non-current liabilities	<u>45,833</u>	<u>-</u>	<u>45,833</u>	<u>-</u>

The Bounce Back loan bore no interest for the first 12 months of the loan. Interest at an annual rate of 2.5% per annum is payable from 2 August 2021. Repayment of the loan commences in August 2021 and will be repaid within 60 months from this date.



## Notes to the financial statements

for the year ended 31 December 2020

### 19. Financial instruments

	<i>Group</i>	
	<i>2020</i>	<i>2019</i>
	<i>£</i>	<i>£</i>
<b>Financial assets</b>		
<i>Financial assets measured at amortised costs</i>		
Trade debtors	65,081	68,334
Amounts owed by related undertakings	611,964	730,381
Other debtors	54,780	230,507
Cash and cash equivalents	940,871	296,929
	<u>1,672,696</u>	<u>1,326,151</u>
<b>Financial liabilities</b>		
<i>Financial liabilities measured at amortised costs</i>		
Trade creditors	195,110	184,846
Loan and borrowing	50,000	-
Other creditors	300,617	193,320
Accruals	529,529	576,990
	<u>1,075,256</u>	<u>955,156</u>

### 20. Other financial commitments

At 31 December 2020 the Group had annual commitments under non-cancellable operating leases as set out below:

	<i>2020</i>	<i>2019</i>
	<i>£</i>	<i>£</i>
Operating leases commitments:		
Within 1 year	-	71,928
Between 2 to 5 years	-	29,970
Greater than 5 years	-	-
Total	<u>-</u>	<u>101,898</u>

## Notes to the financial statements

for the year ended 31 December 2020

### 21. Related party transactions

During the year the Company was repaid working capital of £153,563 (2019 – £nil) from eleQtra (East Africa) Ltd, a company with common directors. At the year-end £368,345 (2019 – £521,908) remained outstanding, owed to the Company.

During the year the Company was repaid working capital of £Nil (2019 – £17,753 repaid) from eleQtra (West Africa) Limited, a company with common directors. At the year-end £26,441 (2019 – £26,441) remained outstanding, owed to the Company.

During the year the Company provided working capital of £34,210 (2019 – £nil) to eleQtra (Southern Africa) Ltd, a company with common directors. At the year-end £143,418 (2018 – £109,208) remained outstanding, owed to the Company.

During the year the Company was repaid working capital of £Nil (2019 – £3,101 paid) from eleQtra Management Services LP (Cayman), an entity with common directors. At the year-end £67,803 (2019 – £67,803) remained outstanding, owed to the Company.

During the year the Company provided working capital of £937 (2019 – £2,463 repaid) to eleQtra Limited (Cayman), an entity with common directors. At the year-end £2,834 (2019 – £1,897) remained outstanding, owed to the Company.

During the year the Company was repaid working capital of £Nil (2019 – £3,101 repaid) from eleQtra Investments LP (Cayman), an entity with common directors. At the year-end £3,123 (2019 – £3,123) remained outstanding, owed to the Company.

The Group provided a loan facility of \$25,000 to Gad Cohen, a director of the Company, still remain outstanding at the reporting date. The loan was repaid with interest on July 27, 2021.

### 22. Share-based option

The Group operates a share-based payment schemes for its employees.

The employees are granted share options in the Company as part of the share scheme. The options are granted with a fixed exercise price and expire 10 years after the date of grant. Employees are required to remain in employment with the Group until exercise, otherwise the awards lapse. On exercise of the options by the employees, the Company issues new shares. There is no option exercised by the employee during the financial year.

A reconciliation of share option movements over the year to 31 December 2020 is shown below:

	2020	
	Number of option	Weighted average exercise price £
Outstanding at 1 January	7,723	4.04
Granted	-	
Forfeited / exercised	-	
Outstanding at 31 December	<u>7,723</u>	4.04

The Group is unable to directly measure the fair value of employee services received. Instead the fair value of the share options granted during the year is determined using the Black-Scholes model. The model is internationally recognised as being appropriate to value employee share schemes similar to this employee schemes. The total charge for the year was £2,912.

## Notes to the financial statements

for the year ended 31 December 2020

### 23. Business combination

During the year, the Group acquired the entire share capital of LeonaWind SUARL ("LeonaWind"), a company incorporated in Senegal, for a total consideration of US\$50,000 (in GBP equivalent of £38,764). The principal activity of LeonaWind is that of developing, build and operate and maintain wind farm and its registered address is 19 Rue Mass Diokhane, Dakar, Senegal.

The following table summarises the consideration paid by the Group, the fair value of assets acquired, liabilities assumed at the acquisition date.

	Fair value recognised on acquisition £
Other debtors	1,299
Other creditors	(65)
Total identifiable net assets acquired	<u>1,234</u>
Consideration (the effect of acquisition on cash flow)	38,764
Goodwill arising from the acquisition	<u>37,530</u>

LeonaWind has yet to generate any revenue but incurred a loss of £66 for the reporting period.