

Company Registration No. 09144715 (England and Wales)

**ASSET LIFE PLC**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2015**



**ASSET LIFE PLC**

**COMPANY INFORMATION**

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<b>Directors</b>	M J Binks (Chairman) (Appointed 23 July 2014)
	T D Mitchell (Appointed 23 July 2014)
	L J Russell (Appointed 23 July 2014)
<b>Secretary</b>	A Farmiloe
<b>Company number</b>	09144715
<b>Registered office</b>	4 Devonshire Street
	London
	W1W 5DT
<b>Auditors</b>	Clarkson Hyde LLP
	33 Cavendish Square
	London
	W1G 0PW

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## **ASSET LIFE PLC**

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## ASSET LIFE PLC

### STRATEGIC REPORT

#### FOR THE YEAR ENDED 31 JULY 2015

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The directors present the strategic report and financial statements for the year ended 31 July 2015.

##### **Review of the business**

The private debt market has grown in recognition over the last few years since the global financial crisis of 2008. The Banking system continues to find itself under more and more regulatory scrutiny and this continues to affect the traditional lending policies within the banking system. This is good news for Asset Life and has created a fantastic appetite for our Fixed Interest Plan, both from the target SME's that we can help grow and develop but also from the retail investing public who are looking for a much greater return on their hard earned savings from a stable but creative non bank funder which is Asset Life Plc

The post-crisis appetite of investors for private debt exposure has developed aggressively as traditional fixed interest vehicles struggle to offer the attractive yield or risk profiles as before the credit crisis of 2008. The Board of Asset Life sees the alternative funding market continuing to grow and mature over the coming years

Asset Life has been able to show a very positive first year of operation with just under £1,000,000 of debentures issued; showing a unrealised profit of £1,173,872 on its investments and a realised profit of £169,800 on the partial disposals of investments it has made in the year. The directors believe the assets in the balance sheet, which are all unquoted equity investments, are conservatively valued at £1,874,542 and expect to realise a higher value over the course of the next year as some of these investments are listed on the London Stock Exchange AIM and others are developed with the advice and guidance of Asset Life's board.

The directors note the comments of the auditors in respect of the difficulties in valuing unquoted equity investments and agree such valuations are difficult to establish. The directors have therefore given their undertaking to the auditors to employ the services of an independent valuation company to assist with establishing a value for all unquoted equity investments for future Financial Statements.

In the nine months since the end of the period Asset Life has continued to successfully invest debenture holder's funds and the directors remain convinced all of its investments will show a significant return.

On behalf of the board



M J Binks (Chairman)

**Director**

23 May 2016

## ASSET LIFE PLC

### DIRECTORS' REPORT

#### FOR THE YEAR ENDED 31 JULY 2015

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The directors present their report and financial statements for the year ended 31 July 2015.

#### Results and dividends

The results for the year are set out on page 5.

#### Directors

The following directors have held office since 23 July 2014:

M J Binks (Chairman)	(Appointed 23 July 2014)
T D Mitchell	(Appointed 23 July 2014)
L J Russell	(Appointed 23 July 2014)
J G Woodroffe-Stacey	(Appointed 23 July 2014 and resigned 19 September 2014)

#### Auditors

Clarkson Hyde LLP were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

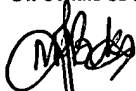
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;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

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

#### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



M J Binks (Chairman)

Director

18 May 2016

## **ASSET LIFE PLC**

### **INDEPENDENT AUDITORS' REPORT**

#### **TO THE MEMBERS OF ASSET LIFE PLC**

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We have audited the financial statements of Asset Life Plc for the year ended 31 July 2015 set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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.

#### **Respective responsibilities of directors and auditors**

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Basis for qualified opinion on the financial statements**

The audit evidence available to us was limited in support of the value that unlisted fixed asset investments have been included in the financial statements. As explained in note 6 to the financial statements, the value included in the financial statements is an assessment by the directors, based on advice from their advisors, and is dependent on external events that have not yet happened. As a result, we were unable to obtain sufficient appropriate audit evidence regarding the value of fixed asset investments.

#### **Qualified opinion on financial statements**

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2015 and of its loss for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Emphasis of matter - going concern**

We have considered the adequacy of disclosure made in note 1.1 to the financial statements concerning the company's ability to continue as a going concern. The company had net current liabilities of £412,036 and incurred a net loss for the year of £699,335 although this was offset by a revaluation of fixed asset investments. These conditions, along with other matters contained in note 1.1 to the financial statements, indicate the existence of a material uncertainty which may cast doubt about the company's ability to continue as a going concern. We emphasise these matters but our opinion is not qualified in this respect.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**ASSET LIFE PLC**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

**TO THE MEMBERS OF ASSET LIFE PLC**

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**Matters on which we are required to report by exception**

In respect solely of the limitation on our work relating to the value of fixed asset investments:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records had been maintained.

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:

- 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.



**Andrew Seton (Senior Statutory Auditor)**  
**for and on behalf of Clarkson Hyde LLP**

23 May 2016

**Chartered Accountants**  
**Statutory Auditor**

33 Cavendish Square  
London  
W1G 0PW

**ASSET LIFE PLC****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 JULY 2015**

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	Notes	2015 £
Administrative expenses		(837,795)
<b>Operating loss</b>	<b>2</b>	<b>(837,795)</b>
Investment income	<b>3</b>	169,800
Other interest receivable and similar income	<b>3</b>	20,000
Interest payable and similar charges	<b>4</b>	(51,340)
<b>Loss on ordinary activities before taxation</b>		<b>(699,335)</b>
Tax on loss on ordinary activities	<b>5</b>	-
<b>Loss for the year</b>	<b>11</b>	<b>(699,335)</b>

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The profit and loss account has been prepared on the basis that all operations are continuing operations.



**ASSET LIFE PLC**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 JULY 2015**

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	Notes	2015 £
Loss for the financial year		(699,335)
Unrealised surplus on fixed asset investments		1,173,872
Total recognised gains and losses relating to the year		<u>474,537</u>

**ASSET LIFE PLC**  
**BALANCE SHEET**  
**AS AT 31 JULY 2015**

	Notes	2015 £	£
<b>Fixed assets</b>			
Investments	6		1,874,542
<b>Current assets</b>			
Debtors	7	347,755	
Creditors: amounts falling due within one year	8	(759,791)	
<b>Net current liabilities</b>			(412,036)
<b>Total assets less current liabilities</b>			1,462,506
<b>Creditors: amounts falling due after more than one year</b>	9		(955,075)
			<u>507,431</u>
<b>Capital and reserves</b>			
Called up share capital	10		32,894
Revaluation reserve	11		1,173,872
Profit and loss account	11		(699,335)
<b>Shareholders' funds</b>	12		<u>507,431</u>

Approved by the Board and authorised for issue on 23 May 2016

  
T D Mitchell  
Director

Company Registration No. 09144715

**ASSET LIFE PLC****CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 JULY 2015**

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	£	2015 £
<b>Net cash outflow from operating activities</b>		<b>(414,559)</b>
<b>Returns on investments and servicing of finance</b>		
Interest paid	(42,540)	
	<u></u>	
<b>Net cash outflow for returns on investments and servicing of finance</b>		<b>(42,540)</b>
<b>Financial investment</b>		
Payments to acquire investments	(750,000)	
Receipts from sales of investments	219,130	
	<u></u>	
<b>Net cash outflow for capital expenditure</b>		<b>(530,870)</b>
		<u></u>
<b>Net cash outflow before management of liquid resources and financing</b>		<b>(987,969)</b>
<b>Financing</b>		
Issue of ordinary share capital	32,894	
New debenture loan	955,075	
	<u></u>	
<b>Net cash inflow/(outflow) from financing</b>		<b>987,969</b>
		<u></u>
<b>Increase in cash in the year</b>		<b>-</b>
		<u><u></u></u>

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**ASSET LIFE PLC**

**NOTES TO THE CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 JULY 2015**

<b>1 Reconciliation of operating loss to net cash (outflow)/inflow from operating activities</b>	<b>2015</b>
	<b>£</b>
Operating (loss)/profit	(837,795)
Increase in debtors	(327,755)
Increase in creditors within one year	750,991
<b>Net cash outflow from operating activities</b>	<b>(414,559)</b>

<b>2 Analysis of net debt</b>	<b>23 July 2014</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>
		<b>£</b>	<b>£</b>
Net cash:			
Bank deposits	-	-	-
Debt:			
Debts falling due after one year	-	(955,075)	-
<b>Net debt</b>	<b>-</b>	<b>(955,075)</b>	<b>-</b>

<b>3 Reconciliation of net cash flow to movement in net debt</b>	<b>2015</b>
	<b>£</b>
Decrease in cash in the year	-
Cash inflow from increase in debt	(955,075)
<b>Movement in net debt in the year</b>	<b>(955,075)</b>
Opening net debt	-
<b>Closing net debt</b>	<b>(955,075)</b>

## ASSET LIFE PLC

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2015

#### 1 Accounting policies

##### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of fixed asset investments.

##### Going concern:

The nature of the company's business is such that there can be considerable unpredictable variation in the timing of cash flows. The directors have prepared a cash flow forecast for a period covering more than 12 months from the date of approval of these financial statements. A key assumption in this forecast is the receipt of significant funds from the disposal of equity holdings in some of the company's unlisted investments. The directors are confident, based on advice from the company's professional advisers, two of the company's unlisted investments will be successfully admitted to AIM before the end of 2016 and that subsequently the company will be able to dispose of its shares at a value sufficient for the company to be able to meet its financial obligations. On this basis, the directors strongly consider it realistic to prepare the financial statements on the going concern basis.

However, inherently, given the nature of the investments made by the company, there can be no certainty in relation to these matters. The financial statements do not include any adjustments that would result from a failure of the investments to be successfully admitted to AIM and then sold for at least the forecast value.

##### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

##### 1.3 Investments

Fixed asset investments are stated at cost or valuation less provision for diminution in value.

##### 1.4 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

<b>2</b>	<b>Operating loss</b>	<b>2015</b>
		<b>£</b>
	Operating loss is stated after charging:	
	Fees payable to the company's auditor for the audit of the company's annual accounts	9,000
		<u>          </u>
<b>3</b>	<b>Investment income</b>	<b>2015</b>
		<b>£</b>
	Income from fixed asset investments	169,800
	Other interest	20,000
		<u>          </u>
		<u>189,800</u>

**ASSET LIFE PLC****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2015**

<b>4</b>	<b>Interest payable</b>	<b>2015</b>
		<b>£</b>
	On other loans wholly repayable within five years	46,840
	Other interest	4,500
		<u>51,340</u>
<b>5</b>	<b>Taxation</b>	<b>2015</b>
		<b>£</b>
	<b>Total current tax</b>	<b>-</b>
		<u>-</u>
	 <b>Factors affecting the tax charge for the year</b>	
	Loss on ordinary activities before taxation	(699,335)
		<u>(699,335)</u>
	 Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00%	(139,867)
	Effects of:	
	Tax losses utilised	139,867
		<u>139,867</u>
	 <b>Current tax charge for the year</b>	<b>-</b>
		<u>-</u>

**ASSET LIFE PLC**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2015**

**6 Fixed asset investments**

	Unlisted investments	Shares in participating interests	Total
	£	£	£
<b>Cost or valuation</b>			
At 23 July 2014	-	-	-
Additions	500,000	250,000	750,000
Revaluation	1,142,622	31,250	1,173,872
Disposals	(49,330)	-	(49,330)
At 31 July 2015	1,593,292	281,250	1,874,542
<b>Net book value</b>			
At 31 July 2015	1,593,292	281,250	1,874,542

The value of unlisted investments above is largely dependent on external events that have not yet happened but which the directors, based on information available to them, are satisfied will happen. The values used are significantly below the values at which the directors and the relevant London Stock Exchange Nominated Advisor and London Stock Exchange Broker propose the investments will be listed on AIM.

**Holdings of more than 20%**

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held	%
<b>Participating interests</b>				
Swifts Manor Farm Limited	England & Wales	Ordinary		45.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves	Profit/(loss) for the year
		2015	2015
	Principal activity	£	£
Swifts Manor Farm Limited	Horse riding centre	32,148	(124,429)

The above loss and net assets are for the year ended 30 September 2014.

**ASSET LIFE PLC****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2015**

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<b>7 Debtors</b>	<b>2015</b>
	<b>£</b>
Other debtors	347,755

Included in debtors are loans totalling £117,784 which, after the end of the year, have been converted to an investment in 98% of the ordinary share capital of Missing Assets Services Worldwide Limited, a company incorporated in England and Wales. Missing Assets Services Worldwide Limited is, therefore, a subsidiary after the end of the year.

<b>8 Creditors: amounts falling due within one year</b>	<b>2015</b>
	<b>£</b>
Amounts owed to participating interests	80,400
Other creditors	652,646
Accruals and deferred income	26,745
	759,791

<b>9 Creditors: amounts falling due after more than one year</b>	<b>2015</b>
	<b>£</b>
Debenture loans	955,075
<b>Analysis of loans</b>	
Wholly repayable within five years	955,075
	955,075
<b>Loan maturity analysis</b>	
In more than one year but not more than two years	955,075

Loans are unsecured debentures that incur interest at a rate of 9.25% per annum and are repayable on 23 July 2017.

<b>10 Share capital</b>	<b>2015</b>
	<b>£</b>
<b>Allotted, called up and partly paid</b>	
131,577 Ordinary shares of £1 each, 25p paid up	32,894

During the year 131,577 Ordinary shares of £1 each were allotted and partly paid at 25p for cash consideration to provide initial working capital.



**ASSET LIFE PLC**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2015**

**11 Statement of movements on reserves**

	Revaluation reserve	Profit and loss account
	£	£
Loss for the year	-	(699,335)
Revaluation during the year	1,173,872	-
Balance at 31 July 2015	<u>1,173,872</u>	<u>(699,335)</u>

**12 Reconciliation of movements in Shareholders' funds**

	2015 £
Loss for the financial year	(699,335)
Other recognised gains and losses	1,173,872
Proceeds from issue of shares	32,894
Net addition to shareholders' funds	<u>507,431</u>
Opening Shareholders' funds	-
Closing Shareholders' funds	<u>507,431</u>

**13 Directors' remuneration**

	2015 £
Remuneration for qualifying services	<u>170,378</u>

**14 Employees**

**Number of employees**

There were no employees during the year apart from the directors.

**Employment costs**

	2015 £
Wages and salaries	<u>170,378</u>

**15 Control**

The company is ultimately controlled by the directors who hold a combined 30% of the issued share capital. No single shareholder holds more than 10% of the issued share capital.

**16 Related party relationships and transactions**

**ASSET LIFE PLC**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2015**

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**16 Related party relationships and transactions**

**(Continued)**

T D Mitchell, M J Binks and L J Russell are also directors of Anglo Wealth Limited. At 31 July 2015, Anglo Wealth Limited owed Asset Life plc £214,934.