

**GROUP STRATEGIC REPORT,  
REPORT OF THE DIRECTOR AND  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD  
1 MAY 2020 TO 31 MAY 2021  
FOR  
LIFE PARTNERS LIMITED**

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**LIFE PARTNERS LIMITED**  
**COMPANY INFORMATION**  
**FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021**

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**DIRECTOR:** Ms Z Ley

**REGISTERED OFFICE:** The Old Rectory The Hatch  
Burghfield  
Reading  
Berkshire  
RG30 3TH

**REGISTERED NUMBER:** 12581827 (England and Wales)

**AUDITORS:** Melinek Fine LLP  
Chartered Accountants  
First Floor, Winston House  
349 Regents Park Road  
London  
N3 1DH

**GROUP STRATEGIC REPORT  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021**

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The director presents her strategic report of the company and the group for the period 1 May 2020 to 31 May 2021.

**PRINCIPAL ACTIVITIES**

The founder and director of Life Partners has an extensive background in the business of medical ventures and scientific innovation and has served as a Trustee of the Royal Institution of Great Britain. The Life Partners Group was incorporated to help source or provide vital medical supplies and equipment at an unprecedented time of global need in recent history, including diagnostic devices that offer real time results, in order to save lives. The Company has an extensive global network active in the procurement and distribution of medical supplies.

Through Life Testing Solutions, the Group is engaged in the development and distribution of groundbreaking solutions to infectious diseases including a real time point of care test for Active Tuberculosis.

The group has also invested in property and collectibles to generate further streams of income and diversify risk.

The Company is a Strategic Partner of the Commonwealth Enterprise & Investment Council.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The director of the Company continually assesses the risks and uncertainties facing the company and ensures controls are in place to mitigate them. The company operates in a competitive marketplace and the risks and uncertainties facing the company include:

**Market risk**

There is currently economic uncertainty within the United Kingdom and Europe in relation to Brexit, Covid-19 and the turmoil in the Russia / Ukraine war, leading to a slowdown in transactional activity, increased logistics costs and widespread inflation.

However, the increasing incidence of Tuberculosis and need for point of care, real time, accurate testing for TB requires a solution, especially in the developing world and across the Commonwealth. The director believes that the LTS product offers a low cost solution that can be deployed globally.

Competition from other national and international companies also presents a risk to the company as does complex local regulation and the costs of research and development. The director believes that the quality of the group's products and services, and the diversification through non-correlated investments will help the group mitigate these risks.

**Liquidity Risk**

The Company actively manages its working capital to ensure the Company has sufficient available funds for operations and planned expansion.

**Foreign exchange risk**

The Group uses a prudent methodology where appropriate balances are received in a foreign currency are converted into sterling, in order to pay expenses, which are primarily sterling-based. Frequent monitoring of the foreign exchange spot prices is performed.

**KEY PERFORMANCE INDICATORS**

Given the company is in its first year of operations and straightforward nature of the business, senior management are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

**BUSINESS REVIEW**

The results for the period and financial position of the company are as shown in the annexed financial statements.

**ON BEHALF OF THE BOARD:**

Ms Z Ley - Director

27 July 2022

**REPORT OF THE DIRECTOR  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021**

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The director presents her report with the financial statements of the company and the group for the period 1 May 2020 to 31 May 2021.

**INCORPORATION**

The group was incorporated on 1 May 2020 .

**DIVIDENDS**

The total distribution of dividends for the period ended 31 May 2021 will be £ 499,000 .

**DIRECTOR**

Ms Z Ley was appointed as a director on 1 May 2020 and held office during the whole of the period from then to the date of this report.

The director, being eligible, offers herself for election at the forthcoming first Annual General Meeting.

**CHARITABLE DONATIONS AND EXPENDITURE**

The company made donations totalling £3,510 to charities in the period.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Group Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless she is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and she has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

The auditors, Melinek Fine LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

Ms Z Ley - Director

27 July 2022

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LIFE PARTNERS LIMITED**

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### **Opinion**

We have audited the financial statements of Life Partners Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 May 2021 which comprise the Consolidated Profit and loss account, Consolidated Statement of other comprehensive income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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's and of the parent company affairs as at 31 May 2021 and of the group's profit for the period then ended;
- 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.

### **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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

### **Other information**

The director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors 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 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 the audit:

- the information given in the Group Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LIFE PARTNERS LIMITED

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### **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 Group Strategic Report or the Report of the Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of director**

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 director determines 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 director is 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 director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

### **Auditors' 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 a Report of the Auditors 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:

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquires with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's control's, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even through the audit has been planned and performed in accordance with ISAs (UK).

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 Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
LIFE PARTNERS LIMITED**

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**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 a Report of the Auditors 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.

Daniel B Fine (Senior Statutory Auditor)  
for and on behalf of Melinek Fine LLP  
Chartered Accountants  
First Floor, Winston House  
349 Regents Park Road  
London  
N3 1DH

27 July 2022



**LIFE PARTNERS LIMITED (REGISTERED NUMBER: 12581827)**

**CONSOLIDATED  
PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021**

	Notes	£
<b>TURNOVER</b>		<b>23,440,384</b>
Cost of sales		<u><b>528,760</b></u>
<b>GROSS PROFIT</b>		<b>22,911,624</b>
Administrative expenses		<u><b>1,127,772</b></u>
<b>OPERATING PROFIT</b>	4	<b>21,783,852</b>
Interest receivable and similar income		<u><b>190</b></u>
<b>PROFIT BEFORE TAXATION</b>		<b>21,784,042</b>
Tax on profit	6	<u><b>4,170,858</b></u>
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		<u><b>17,613,184</b></u>
Profit attributable to: Owners of the parent		<u><b>17,613,184</b></u>

The notes form part of these financial statements

**LIFE PARTNERS LIMITED (REGISTERED NUMBER: 12581827)**

**CONSOLIDATED  
STATEMENT OF OTHER  
COMPREHENSIVE INCOME  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021**

	Notes	£
<b>PROFIT FOR THE PERIOD</b>		<b>17,613,184</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b><u>17,613,184</u></b>
Total comprehensive income attributable to: Owners of the parent		<b><u>17,613,184</u></b>

The notes form part of these financial statements

**LIFE PARTNERS LIMITED (REGISTERED NUMBER: 12581827)**

**CONSOLIDATED BALANCE SHEET  
31 MAY 2021**

	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	9		<b>8,575,906</b>
Investments	10		<b><u>12,455</u></b>
			<b>8,588,361</b>
<b>CURRENT ASSETS</b>			
Stocks	11	<b>576,711</b>	
Debtors	12	<b>398,421</b>	
Cash at bank		<b><u>11,987,303</u></b>	
		<b>12,962,435</b>	
<b>CREDITORS</b>			
Amounts falling due within one year	13	<b><u>4,436,611</u></b>	
<b>NET CURRENT ASSETS</b>			<b><u>8,525,824</u></b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b><u>17,114,185</u></b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14		<b>1</b>
Profit and loss account	15		<b><u>17,114,184</u></b>
<b>SHAREHOLDERS' FUNDS</b>			<b><u>17,114,185</u></b>

The financial statements were approved by the director and authorised for issue on 27 July 2022 and were signed by:

Ms Z Ley - Director

**COMPANY BALANCE SHEET**  
**31 MAY 2021**

	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	9		<b>100,967</b>
Investments	10		<b>12,458</b>
			<b>113,425</b>
<b>CURRENT ASSETS</b>			
Debtors	12	<b>9,981,895</b>	
Cash at bank		<b>11,987,303</b>	
		<b>21,969,198</b>	
<b>CREDITORS</b>			
Amounts falling due within one year	13	<b>4,395,302</b>	
<b>NET CURRENT ASSETS</b>			<b>17,573,896</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>17,687,321</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14		<b>1</b>
Profit and loss account	15		<b>17,687,320</b>
<b>SHAREHOLDERS' FUNDS</b>			<b>17,687,321</b>
Company's profit for the financial year			<b>18,186,320</b>

The financial statements were approved by the director and authorised for issue on 27 July 2022 and were signed by:

Ms Z Ley - Director

**LIFE PARTNERS LIMITED (REGISTERED NUMBER: 12581827)**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021**

	<b>Called up share capital £</b>	<b>Profit and loss account £</b>	<b>Total equity £</b>
<b>Changes in equity</b>			
Issue of share capital	1	-	1
Dividends	-	(499,000)	(499,000)
Total comprehensive income	-	17,613,184	17,613,184
<b>Balance at 31 May 2021</b>	<b>1</b>	<b>17,114,184</b>	<b>17,114,185</b>

The notes form part of these financial statements

**LIFE PARTNERS LIMITED (REGISTERED NUMBER: 12581827)**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021**

	<b>Called up share capital £</b>	<b>Profit and loss account £</b>	<b>Total equity £</b>
<b>Changes in equity</b>			
Issue of share capital	1	-	1
Dividends	-	(499,000)	(499,000)
Total comprehensive income	-	18,186,320	18,186,320
<b>Balance at 31 May 2021</b>	<b>1</b>	<b>17,687,320</b>	<b>17,687,321</b>

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021**

	Notes	£
<b>Cash flows from operating activities</b>		
Cash generated from operations	1	<u>21,488,330</u>
Net cash from operating activities		<u>21,488,330</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets		(8,639,781)
Purchase of fixed asset investments		(12,455)
Interest received		<u>190</u>
Net cash from investing activities		<u>(8,652,046)</u>
<b>Cash flows from financing activities</b>		
Amount introduced by directors		279,171
Amount withdrawn by directors		(629,153)
Share issue		<u>1</u>
Equity dividends paid		<u>(499,000)</u>
Net cash from financing activities		<u>(848,981)</u>
<b>Increase in cash and cash equivalents</b>		<u>11,987,303</u>
<b>Cash and cash equivalents at beginning of period</b>	2	-
<b>Cash and cash equivalents at end of period</b>	2	<u>11,987,303</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	£
Profit before taxation	21,784,042
Depreciation charges	63,875
Finance income	<u>(190)</u>
	21,847,727
Increase in stocks	(576,711)
Increase in trade and other debtors	(9,634,289)
Increase in trade and other creditors	<u>9,851,603</u>
<b>Cash generated from operations</b>	<b><u>21,488,330</u></b>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Period ended 31 May 2021**

	31.5.21	1.5.20
	£	£
Cash and cash equivalents	<u>11,987,303</u>	-

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.5.20	Cash flow	At 31.5.21
	£	£	£
<b>Net cash</b>			
Cash at bank	-	<u>11,987,303</u>	<u>11,987,303</u>
	-	<u>11,987,303</u>	<u>11,987,303</u>
<b>Total</b>	-	<u>11,987,303</u>	<u>11,987,303</u>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021**

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**1. STATUTORY INFORMATION**

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

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These consolidated and separate financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The director has considered a period of at least 12 months from the date of signing of the balance sheet in making her assessment on the going concern of the Group.

**Basis of consolidation**

The Group consolidated financial statements include the financial statements of the Company and all of its material subsidiary undertakings made up to 31 May.

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.

Where a subsidiary has different accounting policies to the Group, adjustments are made to those subsidiary financial statements to apply the Group's accounting policies when preparing the consolidated financial statements.

Any subsidiary undertakings sold or acquired during the year are included up to, or from, the dates of change of control.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation. Adjustments are made to eliminate the profit or loss arising on transactions with joint ventures to the extent of the Group's interest in the entity.

**Related party exemption**

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

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021**

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**2. ACCOUNTING POLICIES - continued**

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Group and value added taxes.

The Group bases its estimate of returns on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The Group recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the Group retains no continuing involvement or control over the assets; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to each of the Group's sales channels have been met, as described below.

**i. Sale of services**

The Group sells agency services to other companies. Revenue is recognised in the accounting period in which the services are rendered when the outcome of contract can be estimated reliably. The company uses the percentage of completion method based on the actual service performed as a percentage of the total services to be provided.

**ii. Sale of stock**

The Group stock including Covid-19 testing kits Revenue is recognised on sale to the buyer at the date specified in the sales contract.

**Tangible fixed assets**

Tangible fixed assets are initially measured at cost. After initial recognition, tangible fixed assets are measured at cost less any accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant and machinery - 25% on cost

**Fixed asset investments**

In the company's individual accounts, investments in subsidiaries are measured at cost less accumulated impairment.

Other investments relate to crypto-currency purchased for investment purposes and is initially held at cost and remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021

2. ACCOUNTING POLICIES - continued

**Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost unless they are classified as receivable within one year in which case they are measured at the undiscounted amount of the cash or other consideration expected to be received net of impairment.

Financial liabilities that are classified as payable within one year are subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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 or settle the liability simultaneously.

**Taxation**

Taxation for the period comprises current and deferred tax. Tax is recognised in the Consolidated Profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

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

**Deferred tax**

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

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

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

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

	£
Wages and salaries	71,752
Social security costs	109
Other pension costs	1,016
	<u>72,877</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021**3. EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the period was as follows:

Administrative staff	<u>3</u>
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The average number of employees by undertakings that were proportionately consolidated during the period was 3 .

Director's remuneration	<u>£ -</u>
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**4. OPERATING PROFIT**

The operating profit is stated after charging:

Depreciation - owned assets	<u>£ 63,875</u>
Foreign exchange differences	<u>967</u>

**5. AUDITORS' REMUNERATION**

Fees payable to the company's auditors for the audit of the company's financial statements	<u>£ 13,200</u>
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Included within auditors' remuneration, the amount of £8,700 is for the audit of subsidiary companies.

**6. TAXATION****Analysis of the tax charge**

The tax charge on the profit for the period was as follows:

Current tax:	<u>£</u>
UK corporation tax	<u>4,170,858</u>
Tax on profit	<u>4,170,858</u>

**7. INDIVIDUAL PROFIT AND LOSS ACCOUNT**

As permitted by Section 408 of the Companies Act 2006, the Profit and loss account of the parent company is not presented as part of these financial statements.

**8. DIVIDENDS**

Final	<u>£ 499,000</u>
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021

## 9. TANGIBLE FIXED ASSETS

## Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £
<b>COST</b>			
Additions	<u>8,384,283</u>	<u>80,330</u>	<u>39,251</u>
At 31 May 2021	<u>8,384,283</u>	<u>80,330</u>	<u>39,251</u>
<b>DEPRECIATION</b>			
Charge for period	<u>-</u>	<u>20,083</u>	<u>9,813</u>
At 31 May 2021	<u>-</u>	<u>20,083</u>	<u>9,813</u>
<b>NET BOOK VALUE</b>			
At 31 May 2021	<u>8,384,283</u>	<u>60,247</u>	<u>29,438</u>

	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
Additions	<u>126,900</u>	<u>9,017</u>	<u>8,639,781</u>
At 31 May 2021	<u>126,900</u>	<u>9,017</u>	<u>8,639,781</u>
<b>DEPRECIATION</b>			
Charge for period	<u>31,725</u>	<u>2,254</u>	<u>63,875</u>
At 31 May 2021	<u>31,725</u>	<u>2,254</u>	<u>63,875</u>
<b>NET BOOK VALUE</b>			
At 31 May 2021	<u>95,175</u>	<u>6,763</u>	<u>8,575,906</u>

## Company

	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
Additions	<u>126,900</u>	<u>7,723</u>	<u>134,623</u>
At 31 May 2021	<u>126,900</u>	<u>7,723</u>	<u>134,623</u>
<b>DEPRECIATION</b>			
Charge for period	<u>31,725</u>	<u>1,931</u>	<u>33,656</u>
At 31 May 2021	<u>31,725</u>	<u>1,931</u>	<u>33,656</u>
<b>NET BOOK VALUE</b>			
At 31 May 2021	<u>95,175</u>	<u>5,792</u>	<u>100,967</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 202110. **FIXED ASSET INVESTMENTS****Group**Unlisted  
investments  
£**COST**

Additions

12,455

At 31 May 2021

12,455**NET BOOK VALUE**

At 31 May 2021

12,455**Company**Shares in  
group  
undertakings  
£Unlisted  
investments  
£Totals  
£**COST**

Additions

312,45512,458

At 31 May 2021

312,45512,458**NET BOOK VALUE**

At 31 May 2021

312,45512,45811. **STOCKS**Group  
£

Stocks

576,71112. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**Group  
£Company  
£

Trade debtors

2,375

-

Amounts owed by group undertakings

-

9,585,851

Other debtors

17,720

17,718

Directors' current accounts

349,982

349,982

VAT

28,34428,344398,4219,981,895

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 MAY 2020 TO 31 MAY 2021

## 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group £	Company £
Trade creditors	110,657	88,910
Amounts owed to group undertakings	-	55,375
Tax	4,170,858	4,161,660
Social security and other taxes	1,653	-
Other creditors	51,194	46,194
Pension Control	445	-
Accruals and deferred income	101,804	43,163
	<u>4,436,611</u>	<u>4,395,302</u>

## 14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
1	Ordinary	£1	<u>1</u>

1 Ordinary share of £1 was issued during the period for cash of £ 1 .

## 15. RESERVES

## Group

	Profit and loss account £
Profit for the period	17,613,184
Dividends	(499,000)
At 31 May 2021	<u>17,114,184</u>

## Company

	Profit and loss account £
Profit for the period	18,186,320
Dividends	(499,000)
At 31 May 2021	<u>17,687,320</u>

## 16. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Z Ley.

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