COMPANY REGISTRATION NUMBER 04228788

ALL STAR MINERALS PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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Company registration number	04228788
The Board of Directors	Mr T Nugent - Chairman Mr J L Featherstone Mr D Bourne
Registered office	C/O Ensors Accountants LLP Cardinal House 46 St Nicholas Street Ipswich Suffolk IP1 1TT
Independent auditors	Price Bailey LLP Price Bailey Chartered Accountants 6 High Street Ely Cambridgeshire CB7 4JU
Bankers	RBS Cambridge Branch 82-88 Hills Road Cambridge CB2 1LG
Solicitors	Birketts LLP Kingfisher House 1 Gilders Way Norwich Norfolk NR1 3UB

REVIEW OF THE BUSINESS – Chairman's Statement

The period under review was a time in which the Company continued to actively evaluate opportunities and work towards identifying investments. The Board reviewed options as to how to advance the Company. During the year, a number of potential transactions were evaluated but did not conclude.

As a Company with a listing on the AQUIS Exchange Growth Market, its access to capital is predominantly through UK investors, whether that be private client brokers or sophisticated and high net worth individuals. Fundraising proved to be very challenging during the period under review.

The Company's principal asset since relinquishing and selling its Australian assets was its shareholding in an investee company - NQ Minerals Plc ("NQ"), which is also listed on the AQUIS Exchange Growth Market. The Company disposed of its holding in NQ during the year under review to generate funds to provide the Company with working capital and manage its Balance Sheet.

Throughout the year, Directors have been mindful of their obligations under S172 of the Companies Act 2006. S172 sets out a number of principles the Board should have regard to in promoting the success of the Company for the benefit of shareholders. The Board have complied with this requirement as follows:

Principle	Company's actions
have regard to the likely consequences of any decision in the long term	The Board has a strategic vision and continues to evaluate potential transactions for the benefit of members
have regard to the interests of the Company's employees	The Company does not currently have any employees
have regard to the need to foster the Company's business relationships with suppliers, customers and others	The Company is currently in the evaluation phase of the investment process and its key relationships are currently with its suppliers. The Company has always worked closely with its suppliers and sought to treat them fairly
have regard to the impact of the Company's operations on the community and the environment	The Company's operations are currently limited as is its impact on the community and environment
have regard to the desirability of the Company maintaining a reputation for high standards of business conduct	As a Company listed on AQUIS Exchange, it is seeking opportunities to further its principal activity. The Company and Board maintain high standards when dealing with potential investment opportunities
have regard to the need to act fairly between members of the Company	The Company has a diverse shareholder base and the Board ensure that no one member's interests take priority over another

FINANCIAL OVERVIEW

The Directors consider both profit/loss after tax and total comprehensive income/expense to be key performance indicators together with availability of working capital (see Outlook).

The results for the 12-month period to 31 December 2019 shows a profit after taxation of £135,698 (2018: loss of £110,369). The profit arose as a result of the dissolution of one of the Company's creditors with the resulting credit arising off-setting administrative expenses for the year.

However, total comprehensive income includes the loss on disposal of the Company's holding of its holding in NQ of £375,389 resulting in a total comprehensive expense of £239,691 (2018: income of £27,620) for the year.

The basic profit per share from continuing operations was 0.01p (2018: loss per share of 0.01p).

The Directors do not recommend the payment of a dividend.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE COMPANY

The principal risk faced by the Company is the ability to raise sufficient funds to continue to execute the Company's strategy.

OUTLOOK

I am greatly encouraged by the work that the Board and its advisers have done during the year evaluating potential transactions. I feel confident that All Star will be able to source and execute transactions in the year ahead allowing the Company to progress forward and reward shareholders for their patience over last number of the years.

Since the year end, there has been significant work done by the Board to strengthen the Balance Sheet and develop a new focus for the future.

In May 2020, the Company raised £80,000 before expenses through the issue of 400,000,000 ordinary shares. The Company also announced that two new Directors would be appointed.

In June 2020, following a General Meeting, the Company announced that a further 1,000,000,000 ordinary shares had been issued raising £200,000 before expenses and that an existing £55,000 loan note and accrued interest would be converted into ordinary shares.

The Company also issued warrants over new ordinary shares issued pursuant to the fundraise and conversion of loan notes on a 1 for 2 basis exercisable at 0.04p per share until December 2022.

The net proceeds of the fundraise will be used for working capital and project evaluation purposes, with the Company remaining focused on the mining sector.

I would like to take this opportunity to thank my fellow Board members, shareholders and our advisers for their continued support and patience.

Tomas Nugent
Executive Chairman

30 - 7 - 20

The Directors present their report and financial statements for the year ended 31 December 2019.

RESULTS AND DIVIDENDS
The Company's profit for the year, after taxation, amounted to £135,698 (2018: loss of £110,369). The Directors do not recommend the payment of any dividend.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS
The principal activity of the Company is to pursue an investment strategy which includes financial services, engineering and support services, renewable energy, construction and technology as well as exploration for minerals and investment in exploration companies.

CREDITOR PAYMENT POLICY AND PRACTICE
It is the Company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Company and its suppliers, provided that all trading terms and conditions have been complied with.

At 31 December 2019, the Company had an average of 204 days purchases outstanding in trade creditors (2018: 231 days).

DIRECTORS
The Directors set out below have held office during the whole of the period from 1 January 2019 to the date of this report, unless otherwise stated.

Mr J L Featherstone
Mr T Nugent
Mr D Bourne

FINANCIAL INSTRUMENTS
Details of the Company's financial risk management objectives and policies, including the use of financial instruments, are included in note 11 to the financial statements.

EVENTS AFTER THE BALANCE SHEET DATE
The Company issued shares, redeemed loan notes and issued warrants as detailed in note 21 to the financial statements together with disclosures in respect of the COVID-19 pandemic.

PROVISION OF INFORMATION TO AUDITORS
We, the Directors of the Company who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Company's auditors are unaware; and

- we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

INDEPENDENT AUDITORS

Price Bailey LLP have signified their willingness to continue in office and a resolution to re-appoint them as auditor will be proposed at the Annual General Meeting.

Approved by the board and signed on its behalf by

Tomas Nugent

30-7-20

The Directors are responsible for preparing the Strategic Report, the Directors' Report and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union 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.

International Accounting Standard 1 requires that financial statements present fairly for each financial period the Company's financial position, financial performance and cash flows. This requires faithful representation of the effect of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out on the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all situations, a fair presentation will be achieved by complying with all applicable IFRSs. In preparing these financial statements, the Directors are also required to:

- select suitable accounting policies and then apply them consistently;

- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;

- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance;

- state that the Company has complied with IFRSs, subject to any material departures disclosed and explained in the financial statements; and

- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Opinion

We have audited the financial statements of All Star Minerals plc (the 'Company') for the year ended 31 December 2019 which comprise the Income Statement, Statement of Other Comprehensive Income, Statement of Changes in Equity, Statement of Financial Position, Statement of Cash Flows 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019, and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Emphasis of matter

We draw your attention to note 2 in the financial statements which describes the Directors' assessment of the current and future effect of the COVID-19 pandemic on the Company. As stated in note 2 since the pandemic started the Company has had to conduct its business in a different way however the Company has successfully raised funds through share placings since the reporting date and consider the impact to be minimal. The effects of COVID-19 are subject to unprecedented levels of uncertainty of outcomes with the effects remaining largely unknown. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant addressed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: overall audit strategy, the allocation of resources in the audit: the directing of efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Going Concern
We assessed managements forecasts and underlying assumptions for a 12 month period. In doing so we considered factors such as historical operating expenditure and the Company's ability to raise funding in the near future. We also considered funds raised by the company since the reporting date.

We found our results from the above and the disclosures in the financial statements in respect of the above to be appropriate.

Our application of materiality

We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonably knowledgeable users that are taken on the basis of Financial Statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We based materiality on profit for the year of the Company and concluded materiality to be £13,600. We consider that gross assets provides us with the most relevant performance measure to stakeholders of the entity given the stage of the Company's activity and growth.

We apply the concept of materiality both in the planning and performance of the audit, and in evaluating the effects of misstatements.

During the course of the audit we reassessed materiality from planning to reflect the final reported performance of the Company. There was no change made to our planning materiality.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment. We determined materiality and assessed the risk of material misstatement in the financial statements. In particular we looked at where the Directors had made subjective judgements within accounting estimates. 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.

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.

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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and 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, 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.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, 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.

Paul Cullen FCCA (Senior Statutory Auditor)

for and on behalf of Price Bailey LLP
Chartered Accountants & Statutory Auditors

Tennyson House
Cambridge Business Park
Cambridge
CB4 OWZ

Date: 5 August 2020

ALL STAR MINERALS PLC
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 £
Administrative expenses		**120,488**	(85,719)
Other operating income		-	1,350
Finance costs	6	**(4,000)**	(26,000)
Finance income	6	**19,210**	-
PROFIT/(LOSS) BEFORE TAX		**135,698**	(110,369)
Income tax expense	8	-	-
PROFIT/(LOSS) FOR THE YEAR		**135,698**	(110.369)

		2019 £	2018 £
PROFIT/(LOSS) PER SHARE expressed in pence per share	9		
Basic		**0.01**	(0.01)
Diluted		**0.01**	(0.01)

The notes on pages 14 to 27 form part of these financial statements

	Notes	2019 £	2018 £
PROFIT/(LOSS) FOR THE YEAR		**135,698**	(110,369)
OTHER COMPREHENSIVE INCOME			
Net gain on equity instruments designated at fair value through other comprehensive income		-	137,989
Net loss on equity instruments designated at fair value through other comprehensive income		**(375,389)**	-
TOTAL OTHER COMPREHENSIVE (EXPENSE)/INCOME		**(375,389)**	137,989
TOTAL COMPREHENSIVE (EXPENSE)/INCOME FOR THE YEAR		**(239,691)**	27,620

The notes on pages 14 to 27 form part of these financial statements

ALL STAR MINERALS PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Issued capital £	Share premium £	Other reserves £	Accumulated losses £	Total equity £
Balance at 1 January 2019	428,433	1,773,610	886,039	(3,003,363)	84,719
Comprehensive income for the year					
Profit for the year	-	-	-	135,698	135,698
Other comprehensive income					
Net loss on equity instruments designated at fair value through other comprehensive income	-	-	(375,389)	-	(375,389)
Transfer	-	-	209,802	(209,802)	
	-	-	(165,587)	(209,802)	(375,389)
Total comprehensive (expense) for the year	-	-	(165,587)	(74,104)	(239,691)
Balance at 31 December 2019	428,433	1,773,610	720,452	(3,077,467)	(154,972)

	Issued capital £	Share premium £	Other reserves £	Accumulated losses £	Total equity £
Balance at 1 January 2018	428,433	1,773,610	748,050	(2,892,994)	57,099
Comprehensive income for the year					
Loss for the year	-	-	-	(110,369)	(110,369)
Other comprehensive income					
Net gain on equity instruments designated at fair value through other comprehensive income	-	-	137,989	-	137,989
	-	-	137,989	-	137,989
Total comprehensive income/(expense) for the year	-	-	137,989	(110,369)	27,620
Balance at 31 December 2018	428,433	1,773,610	886,039	(3,003,363)	84,719

The notes on pages 14 to 27 form part of these financial statements

	Notes	2019 £	2018 £
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	10	-	-
		-	-
CURRENT ASSETS			
Trade and other receivables	13	-	-
Cash and cash equivalents	15	**19,761**	7,935
Investments held at fair value through other comprehensive income	7	-	579,553
		19,761	587,488
TOTAL ASSETS		**19,761**	587,488
EQUITY			
ISSUED CAPITAL AND RESERVES			
Issued share capital	16	**428,433**	428,433
Share premium	17	**1,773,610**	1,773,610
Other Reserves	17	**720,452**	886,039
Accumulated losses		**(3,077,467)**	(3,003,363)
TOTAL EQUITY		**(154,972)**	84,719
CURRENT LIABILITIES			
Borrowings	19	**109,000**	179,210
Trade and other payables	18	**65,733**	323,559
		174,733	502,769
TOTAL EQUITY AND LIABILITIES		**19,761**	587,488

Approved by the Board and signed on its behalf by

Tomas Nugent
Chairman 30-7-20

Company registration number: 04228788

ALL STAR MINERALS PLC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Total profit/(loss)	135,698	(110,369)
ADJUSTMENTS TO RECONCILE TO PROFIT/(LOSS) FROM OPERATIONS		
Finance cost	4,000	26,000
Finance income	(19,210)	-
ADJUSTMENTS TO RECONCILE PROFIT/(LOSS) FROM OPERATIONS	(15,210)	26,000
CASH FLOW FROM OPERATIONS	120,488	(84,369)
CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL	120,488	(84,369)
INCREASE IN WORKING CAPITAL		
(Decrease)/increase in trade and other payables	(257,826)	53,218
INCREASE IN WORKING CAPITAL	(257,826)	53,218
CASH FLOW USED IN OPERATING ACTIVITIES	(137,338)	(31,151)
NET CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	204,164	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	204,164	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of convertible loan note (see note 19)	(55,000)	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	(55,000)	-
	11,826	(31,151)
Cash and cash equivalents brought forward	7,935	39,086
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER	19,761	7,935

The notes on pages 14 to 27 form part of these financial statements

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS

The Company's financial statements for the year were authorised for issue and the statement of financial position signed on the board's behalf by Mr T Nugent. All Star Minerals Plc is a public company limited by shares incorporated and domiciled in England & Wales, part of the United Kingdom. The nature of the Company's operations and its principal activities are set out in the Directors' Report. The Company's registered office is disclosed on page 1.

The principal activity of the Company is to pursue an investment strategy which includes financial services, engineering and support services, renewable energy, construction and technology as well as exploration for minerals and investment in exploration companies.

These financial statements are presented in UK Sterling which is the functional currency of the primary economic environment in which the Company operates. Foreign currencies are accounted for in accordance with the policies set out in note 2. Monetary amounts presented in the financial statements are rounded to the nearest £.

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the Company are set out in note 2.

New Standards and Interpretations adopted with no effect on the financial statements

The following new and revised standards and interpretations have been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements:

IFRS 16 Leases (effective from 1 January 2019)

The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17 'Leases' and related interpretations and is effective for periods beginning on or after 1 January 2019, with earlier adoption permitted if IFRS 15 'Revenue from Contracts with Customers' has also been applied (subject to EU endorsement). The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17 'Leases' and related interpretations.

The Company does not currently have any operating lease arrangements so the impact of IFRS 16 is limited accordingly.

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

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective and have not been adopted early by the Company.

The Directors anticipate that all of the pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Certain standards, amendments and interpretations that have been issued but are not expected to have a material impact on the Company's financial statements include:

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS (continued)

- Amendments to References to the Conceptual Framework in IFRS Standards (effective from 1 January 2020)
- Amendments to IFRS 3: Definition of a Business (effective from 1 January 2020 – yet to be endorsed by the EU)
- Amendments to IAS 1 and IAS 8: Definition of Material (effective from 1 January 2020)

2. ACCOUNTING POLICIES

Going concern

The Directors have considered the cashflow requirements of the Company over the next 12 months. The Directors expect to meet the funding requirements and therefore believe that the going concern basis is appropriate for the preparation of the financial statements.

The Directors have also considered the COVID-19 global pandemic and whether any adjustments are required to reported amounts in the financial statements. As at the reporting date no global pandemic had been declared. Subsequent to the reporting date with social distancing and restrictions on travel and in person meetings business has had to be carried out in a very different way which can delay or stop critical decisions being made, the Company however has successfully raised funds through share placings since the reporting date.

Foreign currency exchange

The principal place of business of the Company is the United Kingdom with sterling being the functional currency.

Transactions in currencies other than the functional currency of the Company are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date.

Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

Income tax

Income tax expense represents the sum of the tax currently payable and deferred income tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it furthers excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

Property, plant and equipment

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses. Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method, on the following bases:

Plant and equipment	- 20%

2. ACCOUNTING POLICIES (continued)

Deferred tax

Deferred tax is provided in full, using the statement of financial position liability method, on temporary differences arising between the tax bases of assets and liabilities and the carrying amounts in the financial statements.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than as a business combination) or other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is charged or credited to the Income Statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax is determined using the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxed levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Compound financial instruments

Compound financial instruments issued by the Company comprise the convertible loan notes which can be converted at the expiry of the notes' term at the option of the holder into a fixed number of ordinary shares.

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Subsequent to initial recognition, the liability component is measured at amortised cost using the effective interest method. The equity component is not subsequently re-measured.

Financial assets

All investments are initially recorded at fair value being the fair value of the consideration given. Investments in equity instruments are non-trading and the Company has elected to present changes in fair value in other comprehensive income.

For investments that are actively traded in organised financial markets, fair value is determined by reference to Stock Exchange quoted market prices at the close of business on the Statement of Financial Position date.

All regular way purchases of financial assets are recognised on the trade date i.e. the date that the Company commits to purchase the asset. All regular way sales of financial assets are recognised on the settlement date i.e. the date the asset is delivered to the counter party. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

2. ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits. Short term deposits are defined as deposits with an initial maturity of three months or less.

Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purposes of the Statement of Cash Flows.

Trade and other payables

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

Share based payments

The Company issues equity-settled share based payments to certain employees including Directors.

Equity-settled Share based payments are measured at fair value at the date of grant.

Fair value is measured using an appropriate options pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The fair value determined at the grant date of the equity-settled Share based payments is expensed on a straight-line basis over the vesting period, together with a corresponding increase in equity, based upon the Company's estimate of the shares that will eventually vest.

Where the terms of an equity-settled transaction are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in value of the transaction as a result of the modification, as measured at the date of the modification.

Where an equity-settled transaction is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the transaction is recognised immediately. However, if a new transaction is substituted for the cancelled transaction and designated as a replacement transaction on the date that it is granted, the cancelled and new transactions are treated as if they were a modification of the original transaction, as described in the previous paragraph.

Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for revenues and expenses during the period and the amounts reported for assets and liabilities at the balance sheet date. However, the nature of estimation means that the actual outcomes could differ from those estimates.

The Company has significantly streamlined its activities removing many areas of estimation uncertainty. Within the next financial year Management consider that there are no sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. PROFIT/(LOSS)

Profit/(loss) is stated after charging the following:

	2019 £	2018 £
Auditor's remuneration – audit of financial statements	**8,400**	8,400

Included in administrative expenses:	2019 £	2018 £
Gain on foreign exchange movements	**751**	1,071
Dissolution of creditor - credit release	**(238,303)**	-

4. EMPLOYEE NUMBERS

The average monthly number of employees during the year was made up as follows:

	2019 Number	2018 Number
Directors	**1**	1
Non-Executive Directors	**2**	2
	3	3

5. KEY MANAGEMENT REMUNERATION (COMPENSATION) AND EMPLOYEE EXPENSES

	2019 £	2018 £
Consultancy fees	**80,000**	50,000

	2019 Number	2018 Number
During the year the following number of Directors exercised share options	**-**	-

Key management only comprises statutory Directors which includes all the Directors.

6. FINANCE (COSTS)/INCOME

	2019 £	2018 £
Interest expense: Debentures and other secured borrowings	**(4,000)**	(26,000)
Interest income: Waiver of accrued interest	**19,210**	-

7. INVESTMENT RECOGNISED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2019	2018
	£	£
At 1 January	579,553	441,564
Net gain on equity instruments designated at fair value through other comprehensive income	-	137,989
Disposal	(579,553)	
At 31 December	-	579,553

The Company's investment in NQ Minerals plc is the Company's sole equity investment which has been presented at fair value through other comprehensive income on the basis it was acquired as part of the Company's principal activities and not for trading purposes. The entire investment was sold during the year to raise funds to support the Company's activities and a cumulative loss of £375,389 was recognised on disposal. Upon de-recognition the cumulative gain or loss is transferred to accumulated losses.

8. INCOME TAX

Components of income tax expense

	2019	2018
	£	£
Current income tax expense		
Current income tax charge	-	-

No liability to UK corporation tax arises on the ordinary activities for the year ended 31 December 2019, nor for the year ended 31 December 2018.

Reconciliation of income tax charge to accounting profit/(loss)

	2019	2018
	£	£
Tax at the domestic income tax rate of 19.00% (2018: 19.00%)	**25,763**	(20,970)
Unrecognised tax losses	-	20,970
Tax losses utilised	**(25,763)**	-
	-	-

Factors which may affect future tax charge

The Company has estimated UK tax losses of £2,272,436 (2018: £2,408,113) to carry forward against future trading profits together with capital losses of £209,802 (2018: £nil). A deferred tax asset has not been recognised in respect of these losses due to uncertainty over the timing of when these assets will be utilised.

The main rate of UK corporation tax is 19%. By 2020 it was proposed that the rate will fall to 17%. However, it was announced in the March 2020 Budget that legislation will be introduced in the Finance Act 2020 to maintain the 19% rate going forward. There is no effect on deferred tax as the Company has not recognised any deferred tax asset or liability.

9. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing net result for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period. No adjustments were made to the net result for the year when calculating basic earnings per share in either year. The weighted average number of shares outstanding for 2019 was 1,130,474,743 (2018: 1,130,474,743).

Diluted earnings per share amounts are calculated by dividing the net result attributable to ordinary equity holders after adjustments for instruments that dilute basic earnings per share by the weighted average of ordinary shares outstanding during the period (adjusted for the effects of dilutive instruments). For the year ended 31 December 2018, as the Company was loss making the effect of any share options is anti-dilutive such that the diluted EPS figure is equivalent to the basic EPS figure. For the year ended 31 December 2019, the effect of dilutive instruments does not affect the basic EPS figure.

10. PROPERTY, PLANT AND EQUIPMENT

	Plant and equipment £
Cost	
At 1 January 2019	2,527
Disposal	(2,527)
At 31 December 2019	-
Accumulated depreciation	
At 1 January 2019	(2,527)
Disposal	2,527
At 31 December 2019	-
Net book value at 1 January 2019	-
Net book value at 31 December 2019	-

	Plant and equipment £
Cost	
At 1 January 2018	2,527
Disposal	(2,527)
At 31 December 2018	-
Accumulated depreciation	
At 1 January 2018	(2,527)
Disposal	2,527
At 31 December 2018	-
Net book value at 1 January 2018	-
Net book value at 31 December 2018	-

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial assets and liabilities are summarised in note 12. The main types of risk are market risk, credit risk and liquidity risk.

The Company does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Company is exposed are described below.

Interest rate risk

The Company's borrowings have fixed interest rates limiting the exposure to cash flow interest rate risk. The Company's exposure to fair value interest rate risk is similarly limited as a result of the short duration of borrowings.

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. Following the re-structuring of the Company's activities, its exposure to credit risk is minimal. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets at the reporting date (note 12).

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

The Company does not have any receivables at 31 December 2019.

Liquidity risk

Liquidity risk is that the Company might be unable to meet its obligations.

The Company has given responsibility of liquidity risk management to the board who have formulated liquidity management tools to service this requirement.

Management of liquidity risk is achieved by monitoring budgets and forecasts and actual cash flows.

The Company's main non-derivative financial liability is in respect of convertible loan notes shown in note 19. Trade payables are all due within 6 months.

As disclosed in the accounting policies (note 2) management expect to meet funding requirements through the raising of additional funds. See also note 21 detailing the funds raised by the Company to meet its liquidity requirements.

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk

Market risk is firstly the risk that changes in market prices, such as commodity prices, foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holding in financial instruments. Secondly, it is the risk that cash flows from a financial instrument fluctuate in response to changes in market prices. Following the disposal of the Company's interest in NQ Minerals Plc the Company is no longer exposed to significant market risk.

Commodity price risk

Following the restructuring of the Company's operations, there is minimal exposure to commodity price risk other than through its investment in NQ Minerals plc which is a mining and exploration business. This investment was sold during the year.

Foreign currency risk

The principal foreign currency risk arises from the investment in NQ Minerals plc whose activities are conducted in Australia. This represents an indirect foreign currency risk. However, the Company's investment in NQ Minerals plc is denominated in GBP and, as such, there is no direct foreign currency risk. This investment was sold during the year,

The Company does not enter into forward exchange contracts to mitigate the exposure to foreign currency risk.

Capital management

The Company's capital consists of both deferred and ordinary shares. The Board's policy is to preserve a strong capital base in order to maintain investor, creditor and market confidence and to safeguard the future development of the business, whilst balancing these objectives with the efficient use of capital.

12. FINANCIAL ASSETS AND LIABILITIES

A description of each category of financial assets and financial liabilities and the related accounting policies are disclosed in note 2. The carrying amount of financial assets and financial liabilities are as follows:

	Financial assets at amortised cost		Financial assets at fair value	
	2019	2018	**2019**	2018
	£	£	**£**	£
Financial assets				
Cash and cash equivalents	**19,761**	7,935	-	-
Investments in equity instruments designated at fair value through other comprehensive income upon initial recognition	-	-	-	579,553

	Financial liabilities at amortised cost	
	2019	2018
	£	£
Financial liabilities		
Trade and other payables	**(65,733)**	(323,559)
Borrowings	**(109,000)**	(179,210)

13. TRADE AND OTHER RECEIVABLES

	2019	2018
	£	£
Current		
Other receivables	-	-
	-	-

The carrying value of the Company's short-term receivables approximates to their fair values.

14. RELATED PARTY TRANSACTIONS

Trading activities

Purchases and services provided

	2019	2018
	£	£
Compredi & Co Limited	-	50,000
Heathfield Oil & Gas Limited	**80,000**	-
	80,000	50,000

Both companies are/were under the control a Director.

14. RELATED PARTY TRANSACTIONS (continued)

Payable to related parties

	2019 £	2018 £
Unpaid Directors' fees	-	238,303
Director's loan	-	20,000
	-	258,303

The Director's loan was unsecured, bears no interest and is repayable on demand. It was repaid during the year. During the year accrual for unpaid directors' fees was released.

Key management compensation

	2019 £	2018 £
Consultancy fees	**80,000**	50,000
	80,000	50,000

15. CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash at bank	**19,761**	7,935
	19,761	7,935

16. SHARE CAPITAL

	2019 No.	£	2018 No.	£
Ordinary shares at 1 January	**1,130,474,743**	**113,048**	1,130,474,743	113,048
New shares issues	-	-	-	-
Ordinary shares carried forward	**1,130,474,743**	**113,048**	1,130,474,743	113,048
Deferred shares (0.09 pence)	**350,428,320**	**315,385**	350,428,320	315,385
	1,480,903,063	**428,433**	1,480,903,063	428,4433

The Company is authorised to issue a further 400,000,000 0.01 pence ordinary shares.

The issued 0.01 pence ordinary shares are fully paid.

The deferred shares do not have any rights to income or voting rights and are entitled to receive their nominal value back on a winding up only after the ordinary shareholders have received £100,000 per share. There is no authorisation in place to issue further deferred shares. The deferred shares are fully paid.

All issued share capital is classified as equity.

17. RESERVES

	Other reserve	Capital redemption reserve £	Share scheme reserve £	Total £
At 1 January 2018	27,598	572,786	147,666	748,050
Fair value movement: FVOCI financial asset	137,989	-	-	137,989
At 31 December 2018	165,587	572,786	147,666	886,039
Net loss on equity instruments designated at fair value through other comprehensive income	(375,389)	-	-	(375,389)
Transfer	209,802	-	-	209,802
At 31 December 2019	-	572,786	147,666	720,452

The share scheme reserve includes the increase in equity resulting from accounting for the expense of issuing share options. The capital redemption reserve exists to maintain the Company's capital when shares are cancelled or repurchased. The other reserve includes the fair value and other movements instruments in respect of the financial asset designated at fair value through other comprehensive income

18. TRADE AND OTHER PAYABLES

	2019 £	2018 £
Trade and other payables	**55,333**	45,456
Accruals	**10,400**	19,800
Payable to related parties	-	258,303
	65,733	323,559

The carrying value of the Company's short-term payables approximates to their fair values.

19. BORROWINGS

	2019 £	2018 £
Convertible loan notes	**109,000**	179,210
	109,000	179,210

During the year interest of £4,000 (2018: £26,000) accrued on the convertible loan notes. Interest accrues on £20,000 of the convertible loan notes at a rate of 20% p.a. The remaining £55,000 are interest free. During the year, £55,000 of convertible loan notes were repaid in cash. The convertible loans are convertible into ordinary shares in the Company. Included in the carrying value is £34,000 of accrued interest. The convertible loan notes were repaid within 6 months of the year end.

During the year, accrued interest in relation to certain of the convertible loan notes issued by the Company was waived and a credit has been recognised accordingly in the income statement.

19. BORROWINGS (continued)

The value of the liability component and the equity conversion component were determined on the issuance of the notes. The fair value of the liability component was determined using the market interest rate for an equivalent non-convertible bond. The value of the equity conversion component was determined to be inconsequential and the entire proceeds were recognised as borrowings accordingly.

The carrying amount of the Company's short-term borrowings approximates to their fair values.

20. SHARE BASED PAYMENTS

Equity settled

The Company has a share option programme that entitles the holders to purchase shares in the Company with the options exercisable at the price determined at the date of granting the option.

The terms and conditions of the grants are as follows; there are no vesting conditions to be met and all options are to be settled by the issue of shares.

Details of the number of share options and the weighted average exercise price (WAEP) outstanding during the period are as follows:

	2019		2018	
	WAEP	**No.**	WAEP	No.
Opening balance	**0.10p**	**70,000,000**	0.10p	70,000,000
Lapsed	**-**	**-**	-	-
Closing balance	**0.10p**	**70,000,000**	0.10p	70,000,000

No options were exercised in either period. All of the above share options are exercisable at the year end and their weighted average exercise price is stated above.

The share options outstanding at the end of the period have a weighted average remaining contractual life of 4 years (2018 – 5 years) and have the following exercise prices (EP) that expire on the following dates:

	2019		2018	
	EP	**No.**	EP	No.
31 December 2023	**0.10p**	**70,000,000**	0.10p	70,000,000

21. EVENTS AFTER THE BALANCE SHEET DATE

Subsequent to the reporting date the existence of the infectious disease COVID-19 (Coronavirus) has become widely known and begun to rapidly spread throughout the world including the UK. The Company consider this to be a non-adjusting event after the reporting date. Since the reporting date this has caused increasing disruption to populations, to business and economic activity. As this situation continues to develop it is not yet practicable to estimate the potential impact this may have on the Company. See note 2 to the financial statements.

On 22 May 2020, the Company announced it had issued 400,000,000 shares raising £80,000 before expenses and on 23 June 2020 a £20,000 convertible loan note was repaid. On 24 June 2020, the Company announced it had issued 1,000,000,000 shares, being duly authorised to do so, raising £200,000 before expenses, a £55,000 convertible loan note was converted into 275,000,000 shares and a further 34,000,000 shares was issued to settle accrued interest relating to the loan notes.