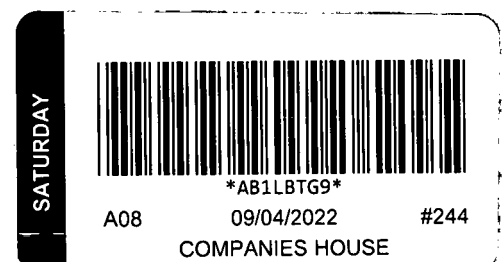




ANGLO AFRICAN AGRICULTURE PLC
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021



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Directors and Advisors

Directors:	Robert Scott Andrew Monk Matthew Bonner
Secretary:	Stephen Clow
Company Number:	07913053
Registered Address:	Park House 16-18 Finsbury Circus London EC2M 7EB
Head Office	Park House 16-18 Finsbury Circus London EC2M 7EB
Financial Advisor and Broker	VSA Capital Limited Park House 16-18 Finsbury Circus London EC2M 7EB
Auditors	Jeffreys Henry LLP Finsgate 5-7 Cranwood Street London EC1V 9EE
Solicitors to the Company	Keystone Law 48 Chancery Lane London WC2A 1JF
Registrars	Neville Registrars Limited Neville House Steelpark Road Halesowen West Midlands B63 3DA

Chairman's Statement

For the Year Ended 31 October 2021

Overview

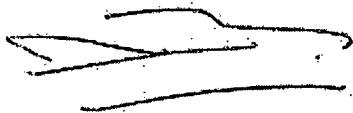
The most recent financial period was a very disappointing year in that after 30 months of trying to reverse the Comarco port and marine operations into AAA ("the Company") the vendors decided in September 2021 to withdraw from the transaction. AAA made a \$1m loan available to Comarco in November 2018 for an initial period of 24 months (the "Loan"). The Loan was subsequently extended and was due for repayment on 30 September 2021. The Loan, together with accrued interest, amounting in aggregate to \$1.5m, has now been repaid although no full and final settlement was signed by Comarco.

As mentioned previously the Company's 100% subsidiary, Dynamic Intertrade, on its own cannot sustain an LSE listing. As a result of the aborted Comarco transaction the board is looking at various alternative transactions to increase the size of the Company and thus secure its future prospects. The Board recognises that it needs to find a transaction with certainty to prevent a repeat of the failed Comarco transaction and it is also aware of the recent FCA rule changes to Standard listing requirements. As such, the Board is also looking to complete a transaction as soon as practicably possible.

AAA's primary operations and source of revenue remains Dynamic Intertrade ("Dynamic"), our Cape Town based spice blender and trader. The Company's operations have been negatively affected by COVID-19 with sales in local currency falling 23.2% and 20.8% in reporting currency. This was primarily driven by the South African economy being impacted by COVID-19. In addition, fish stocks for Dynamic's largest customers dwindled and the clients in effect had no production for a number of months during the year under review. Lastly, the product mix requested by Dynamic's material customers changed and price increases could not be passed on to the company's customers, which reduced the gross margin. Group turnover reduced by 20.8% (2020: a reduction of 2.5%). Group operating losses decreased to £515,660 (increased to £1,079,505 in 2020) for the current year. Included in the prior year's group operating losses is the impairment of the investment in AAA's subsidiary, Dynamic, amounting to £226,644, being a once off write off. Excluding the impairment, normal operating losses for the year were £515,660 (2020: £852,861).

COVID-19 has had a devastating effect on the world economy and social fabric. Although the company has been affected by the pandemic, the effects have been minimised. There is a concern however that the long term effects may be more than what is currently being experienced.

As announced on 15 December 2021, since the year end we have reached agreement with all of AAA's creditors. This has left the group with a cash balance currently in excess of £0.4 million.



Andrew Monk

Non-Executive Chairman

31st March 2022

Strategic Report

For the Year Ended 31 October 2021

Overview

The primary objective of the strategic report is to provide information for the shareholders and help them to assess how the directors have performed their duty, under section 172 of the Act, to promote the success of the Company and to provide context for the related financial statements as well as assist them in their decision making.

The duty of a director, as set out in section 172 of the Act, is to act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members, and in doing so have regard (amongst other matters) to:

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the company's employees;
- (c) the need to foster the company's business relationships with suppliers, customers and others;
- (d) the impact of the company's operations on the community and the environment;
- (e) the desirability of the company maintaining a reputation for high standards of business conduct; and
- (f) the need to act fairly as between members of the company.

As a Board, we must always seek and be open to feedback from anyone affected by our activities. This enables the Board to understand the impact of its decisions on key stakeholders, but also ensures that we are aware of any significant changes in the market or the external environment, including the identification of emerging risks, which can be fed into our strategy discussions and our risk management process. The Board considers our strategic stakeholders as follows:

Customers

We listened to our customers and endeavoured to supply them with relevant product – this was particularly true throughout the crisis where not only did we supply relevant products but also in line with safety protocols as recommended by the Government Health Department.

Suppliers

We have worked with a number of our suppliers for many years, and any loss of our sales or product mix impacts their business. We communicated to them where possible to reduce the impact on their businesses.

Shareholders and Lenders

We have a clear responsibility to engage with shareholders and lenders of our business and their views are an important driver of our strategy. We keep our shareholders regularly informed while lenders receive quarterly updates on the performance of the organisation.

Staff

During the year under review and in particular during the pandemic, Dynamic Intertrade endeavoured to keep its staff fully employed although operating times were erratic due to supply chain disruptions. We managed to do this,

Strategic Report (continued)

For the Year Ended 31 October 2021

however in order to ensure we are competitive we underwent a s189 review of staffing efficiencies at our subsidiary during the year. This is now completed.

During the year under review the group had 20 staff and directors. The company had 3 male directors. The subsidiary had 2 female and 2 male directors of which 1 male director was a director of both. The subsidiary had 7 female and 6 male staff.

Social, community and human rights issues

The company and its subsidiary comply with all national and international laws and regulations pertaining to human rights and social interaction. Additionally, the South African subsidiary is ensuring, where possible, with BBBEE which aims to address the social, community and economic issues within the South African context.

Review of the Group's Business

Dynamic Intertrade (Pty) Ltd ("Dynamic") is based in Cape Town, South Africa and is involved in the importation, milling, blending and packaging of products that include herbs, spices, seasonings and confectionary for the domestic market.

Dynamic recorded a 20.8% reduction in top line revenue to £1.4 million (2020: a decrease of 2.5% to £1.77 million). The required product mix changed and lower margin commodities saw general price increases which could not be passed on to customers for our core spice lines of commodity paprika and chilli-based products as well as our value-added blended products. In addition, our major customers had a reduction in their fish supplies which affected production, and hence purchases, negatively for a number of months during the year under review.

Gross profits decreased by 10.3% to £379,804 (ZAR7.7 million) for the current year (2020: a decrease of 29.3% to £423,509 (ZAR8.8 million)) and represents a 27.05% gross margin (2020: 23.9%).

Operating losses for the year decreased to £515,660 from £1,079,505 in 2020.

Basic and diluted loss per share from continuing operations for the year was 2.66p (2020: 5.16p).

Financing

During the year under review, the Company issued no new ordinary shares (2020: Nil).

Acquisition Strategy

The Directors continue to evaluate potential acquisition targets and mergers that would create a sustainable platform for the Group.

Key Performance Indicators

	31 October 2021	31 October 2020
	£	£
Turnover	1,404,234	1,773,710
Gross Profit	379,804	423,509
Cash on hand and in bank	1,109,774	45,251
Underlying operating loss	(515,660)	(1,079,505)

Strategic Report (continued)

For the Year Ended 31 October 2021

Principal Risks and Uncertainties

The Directors consider the following risk factors to be of relevance to the Group's activities. It should be noted that the list is not exhaustive and that other risk factors not presently known or currently deemed immaterial may apply. The risk factors are summarised below:

i. Development Risk

The Group's development will be, in part, dependent on the ability of the Directors to continue to improve the current business, to identify suitable investment opportunities and to implement the Group's strategy. There is no assurance that the Group will be successful in acquiring suitable investments.

ii. Sector Risk

The agriculture and agri-processing sectors are highly competitive markets and many of the competitors will have greater financial and other resources than the Company and as a result may be in a better position to compete for opportunities.

The development of these enterprises involves significant uncertainties and risks including unusual climatic conditions such as drought, improper use of pesticides, availability of labour and seasonality of produce, any one of which could result in security of supply, damage to, or destruction of crops, environmental damage or pollution. Each of these could have a material adverse impact on the business, operations and financial performance of the Group.

The market price of agricultural products and crops is volatile and affected by numerous factors which are beyond the Group's control. These include international supply and demand, the level of consumer product demand, international economic trends, currency exchange rate fluctuations, the level of interest rates, the rate of inflation, global or regional political events, as well as a range of other market forces. Sustained downward movements in agricultural prices could render less economic, or un-economic, any development or investing activities to be undertaken by the Group. Certain agricultural projects involve high capital costs and associated risks. Unless such projects enjoy long term returns, their profitability will be uncertain resulting in potentially high investment risk.

iii. Political and Regulatory Risk

African countries experience varying degrees of political instability. There can be no assurance that political stability will persist in those countries where the Group may have operations going forward. In the event of political instability or changes in government policies in those countries where the Group may operate, the operations and financial condition of the Group could be adversely affected.

iv. Environmental Risks and Hazards

All phases of the Group's operations are subject to environmental regulation in the areas in which it operates. Environmental legislation is evolving in a manner that may require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

There is no assurance that existing or future environmental regulation will not materially adversely affect the Group's business, financial condition and results of operations. Environmental hazards may exist on the properties on which the Group holds interests that are unknown to the Group at present. The Board manages this risk by working with environmental consultants and by engaging with the relevant governmental departments and other concerned stakeholders.

Strategic Report (continued)

For the Year Ended 31 October 2021

v. Internal Control and Financial Risk Management

The Board has overall responsibility for the Group's systems of internal control and for reviewing their effectiveness. The Group maintains systems which are designed to provide reasonable but not absolute assurance against material loss and to manage rather than eliminate risk.

- The key features of the Group's systems of internal control are as follows:
 - Management structure with clearly identified responsibilities;
 - Production of timely and comprehensive historical management information presented to the Board;
 - Detailed budgeting and forecasting;
 - Day to day hands on involvement of the Executive Director and Senior Management; and
 - Regular board meetings and discussions with the Non-executive directors.

The Group's activities expose it to several financial risks including cash flow risk, liquidity risk and foreign currency risk.

vi. Environmental Policy

The Group is aware of the potential impact that its subsidiary and associate companies may have on the environment. The Group ensures that it complies with all local regulatory requirements and seeks to implement a best practice approach to managing environmental aspects.

The wholly owned subsidiary, Dynamic Intertrade operates a Food Safety System Certification ("FSSC") compliant facility in Cape Town. The FSSC provides a framework for effectively managing the organization's food safety responsibilities and is fully recognized by the Global Food Safety Initiative (GFSI) and is based on existing ISO Standards.

vii. Health and Safety

The Group's aim is to achieve and maintain a high standard of workplace safety. In order to achieve this objective, the Group provides ongoing training and support to employees and sets demanding standards for workplace safety.

viii. Financing Risk

The development of the Group's business may depend upon the Group's ability to obtain financing primarily through the raising of new equity capital or debt. The Group's ability to raise further funds may be affected by the success of existing and acquired investments. The Group may not be successful in procuring the requisite funds on terms which are acceptable to it (or at all) and, if such funding is unavailable, the Group may be required to reduce the scope of its investments or the anticipated expansion. Further, Shareholders' holdings of Ordinary Shares may be materially diluted if debt financing is not available.

ix. Credit Risk

The directors have reviewed the forecasts prepared by both AAA and Dynamic and believe that Dynamic has adequate resources available to meet its obligations to make capital repayments of the loan to AAA.

If Dynamics' trading performance is below that forecast, AAA will exercise a degree of flexibility on the repayment timetable. With the Dynamic turnover increasing and the Group forecasting profitability there is no requirement for any impairment charge.

x. Liquidity Risk

The Directors have reviewed the working capital requirements of AAA and Dynamic Intertrade and believe that, following stress tests and variance analysis on the forecasts, there is sufficient working capital to fund the business

Strategic Report (continued)

For the Year Ended 31 October 2021

while expanding turnover and achieving sustainable profitability. The directors further highlight the inherent uncertainties involved in making the assessment that the entity is a going concern.

xi. Capital Risk

The Group manages its capital resources to ensure that entities in the Group will be able to continue as a going concern, while maximising shareholder return.

The capital structure of the Group consists of equity attributable to shareholders, comprising issued share capital and reserves. The availability of new capital will depend on many factors including a positive operating environment, positive stock market conditions, the Group's track record, and the experience of management. There are no externally imposed capital requirements. The Directors are confident that adequate cash resources exist or will be made available to finance operations and controls over expenditure are carefully managed.

xii. COVID-19 Risk

The group has assessed the impact that the global COVID-19 pandemic has had on its operations. As stated above, the group supplies spices and spice blends to the food industry. The factory complies with FSSC requirements and as a result staff wear, as a matter of course, masks and sanitise regularly, and hence the COVID-19 preventative measures have been adhered to. The majority of its customers supply their products to the lower end of the consumer spectrum. Based on the directors' assessment, the products that it supplies form an essential component of the flavour profile that the end consumers prefer to consume. Based on the group's assessment of the associated risks, the risks associated with the pandemic are as follows: 1) the risk that the gross margin will be squeezed, due to our customers' inability to pass on or absorb price increases; and 2) the risk that the end consumer will not be able to afford the prepacked flavoured food which could lead to our customers having an over-supply of our spices and spice blends.

To manage the above risks, management are in regular contact with our customers and are actively exploring new markets and customers in order to diversify these risks.

Going Concern

These consolidated financial statements are prepared on the going concern basis. The going concern basis assumes that the Group will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities and commitments in the normal course of business. The Group has incurred significant operating losses and negative cash flows from operations during the year under review.

During the year, the Group raised additional equity funding of Nil (2020: £102,676) in gross funding through share subscriptions to fund working capital.

The directors have agreed to defer the payment of their directors fees until such time that the company is in a position to pay such fees without affecting its ability to pay current liabilities as they become due and without affecting its ability to support Dynamic Intertrade (Pty) Ltd, given the potential for future cashflow deficits. The Directors have prepared cash flow forecasts, which include several cost saving initiatives undertaken and the appointment of a chief executive officer, for the period ended 31 March 2023. These forecasts consider operating cash flows and capital expenditure requirements for the Company and Dynamic Intertrade, available working capital and forecast expenditure, including overheads and other costs. As in prior years, in the event that additional funding is required, the directors have agreed to participate in any fund raises that may be necessary at the time. Based upon the company's forecast, it has sufficient cash for the foreseeable future.

If Dynamic Intertrade fails to meet revenue predictions and any other relevant risk factors arise, the Group will need to obtain additional debt finance or equity to fund its operations for the period to 31 March 2023. The cash flow

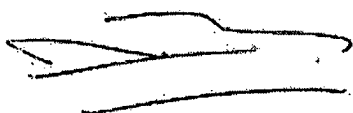
Strategic Report (continued)

For the Year Ended 31 October 2021

forecast is dependent on production targets being met at Dynamic Intertrade, maintaining the invoice financing arrangements, generating future sales and the selling prices remaining stable during the period to 31 March 2023.

After careful consideration of the matters set out above, the Directors are of the opinion that the Group will be able to undertake its planned activities for the period to 31 March 2023 from production and from additional fund raising and have prepared the consolidated financial statements on the going concern basis. Nevertheless, due to the uncertainties inherent in meeting its revenue predictions and obtaining additional fund raising there can be no certainty in these respects. The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern. For this reason, the directors believe that there is a material uncertainty relating to the group's going concern.

As at year end, the transaction to acquire the port and marine assets of the Comarco Group had been terminated and the loan advanced to the Comarco Group and the interest charged thereon had been repaid by in full. It the intention of the directors to look for acquisitions to make the company more sustainable.



On behalf of the Board
Andrew Monk, Chairman
31st March 2022

Directors' Report

For the Year Ended 31 October 2021

The Directors present their Report and Financial Statements for the year ended 31 October 2021.

Principal Activities

The principal activity of the Group in the year was investing and trading in the agriculture and ancillary sectors in Africa.

Emissions

The group is not an intensive user of fossil fuels or electricity. During the year Dynamic Intertrade consumed an average of 8,418 kwh (2020: 19,432kwh) per month based on using actual charges levied by the Cape Town City Council. As per the University of Cape Town's assessment of the South African average of 1.015kg/kwh, the group contributed 102,539kg (2020: 236,682kg) of carbon emissions during the financial year. Due to the nature of the business, there is limited scope to reduce emissions materially as all power is sourced from the Cape Town City Council. There were no operations in the UK and as such no emissions in the UK.

Investing Policy

AAA was established to invest in or acquire companies engaged in the agriculture and ancillary sectors in Africa. The Directors intend to use their collective experience to identify appropriate investment opportunities in the production, transportation and trading of food products as well as ports and ancillary industries.

Directors

The following Directors have held office in the year:

David Lenigas (Resigned 31 July 2021)

Andrew Monk

Robert Scott

Matthew Bonner

Andrew Monk, Non-Executive Chairman

Andrew has a successful stock broking career spanning 28 years. In that time, he has built up strong relationships with many major UK institutions. He was employed by Hoare Govett ABN AMRO for 12 years before founding Oriel Securities as Joint CEO. Andrew later became CEO of Blue Oar Plc, and Chief Executive of VSA Capital, an investment banking and institutional broking firm.

Robert Scott, Executive Director

Rob has over 20 years of finance experience, with the last eleven years specifically focused in Africa within the mining industry and general investments. He has held executive and senior positions with several companies, as well as having served on both public and private company boards. He has been involved in companies with locations in South Africa, Angola, Mozambique, Zimbabwe, DRC, CAR, Tanzania, Kenya and Namibia amongst others. Rob has also previously been involved in mining, hotels, agriculture and construction industries.

Matthew Bonner, Non-Executive Director

Matthew Bonner has significant financial leadership experience within the mining, energy and agriculture sectors. He is currently Chief Operating Officer at EAS Advisors LLC, a New York based corporate advisory firm focused on supporting public and private companies operating in the natural resource and commodity sectors in emerging markets.

Directors' remuneration, shareholding and options

The Directors' remuneration in the year ended 31 October 2021 is set out in note 8 of the accounts. None of the directors receive share options, long term incentives, bonus or the like as part of their remuneration packages. Remuneration for all directors, both executive and non-executive, is £1,000 per month. UK based directors have

Directors' Report (continued)

For the Year Ended 31 October 2021

statutory National Health Insurance and Pension contributions added to their remuneration. There are no contracts in place for any of the company directors.

Shareholding

As at 31st March 2022, the Directors of the Company held the following shares:

Director	2021 Shareholding	2021 Percentage of the Company's Ordinary Share Capital	2020 Shareholding	2020 Percentage of the Company's Ordinary Share Capital
David Lenigas (resigned)	1,119,403	5.77%	1,119,403	5.77%
Andrew Monk**	1,106,338	5.04%	1,106,338	5.04%
Robert Scott	213,231	0.97%	213,231	0.97%
Matthew Bonner	165,891	0.76%	165,891	0.76%

** Andrew Monk's entire shareholding is held within his SIPP (Fitel Nominees Limited) and Hargreaves Hale Limited.

Share options and warrants

As at 31 October 2021 the Directors share options and warrants were:

Director	2021 Warrants @ 5p (expiring 23 March 2023)
Andrew Monk	4,240,000
Robert Scott	820,000
Matthew Bonner	840,000
	5,900,000

Director	2021 Options at 20p (expiring 5 September 2022)	2021 Options @ 11p (expiring 5 September 2022)	2021 Warrants @ 20p (expiring 5 September 2022)	2021 Warrants @ 5p (expiring 24 July 2022)
Andrew Monk	91,952	100,000	69,033	622,233
Robert Scott	50,000	-	-	128,578
Matthew Bonner	180,000	-	-	128,578
	321,952	100,000	69,033	879,389

Director	2020 Options at 20p (expiring 5 September 2022)	2020 Options @ 11p (expiring 5 September 2022)	2020 Warrants @ 20p (expiring 5 September 2022)	2020 Warrants @ 5p (expiring 24 July 2022)
Andrew Monk	91,952	100,000	69,033	622,233
Robert Scott	50,000	-	-	128,578
Matthew Bonner	180,000	-	-	128,578
	321,952	100,000	69,033	879,389

Directors' Report (continued)

For the Year Ended 31 October 2021

The total warrants and share options outstanding at 31 October 2021 were 25,379,430 (2020: 13,319,430). Refer to note 24 for more detail.

Dividends

No dividends will be distributed for the current year (2020 - nil).

Supplier Payment Policy

It is the Group's payment policy to pay its suppliers in conformance with industry norms. Trade payables are paid in a timely manner within contractual terms, which is generally 30 to 45 days from the date an invoice is received.

Substantial Interests

The Group has been informed of the following shareholdings that represent 3% or more of the issued Ordinary Shares of the Company as at 31 October 2021:

Shareholder	2021	2021	2020	2020
	Shareholding	Percentage of the Company's Ordinary Share Capital	Shareholding	Percentage of the Company's Ordinary Share Capital
Barclays Direct Investing Nominees Limited	726,113	3.3%	1,073,634	4.9%
CGWL Nominees Limited	1,256,338	5.7%	1,256,338	5.7%
Hargreaves Lansdown (Nominees) Limited	1,121,892	5.1%	726,935	3.3%
HSBC Global Custody Nominee (Uk) Limited	1,591,847	7.2%	1,591,636	7.2%
Interactive Investor Services Nominees Limited	2,943,459	13.4%	1,693,574	7.7%
JIM Nominees Limited	1,625,041	7.4%	981,309	4.5%
Lynchwood Nominees Limited	5,150,000	23.4%	5,150,000	23.4%
Mike Joseph Pershing Nominees Limited	-	0.0%	750,000	3.4%
Vidacos Nominees Limited	1,026,172	4.7%	1,026,172	4.7%
	1,701,856	7.7%	2,413,845	11.0%

The Group has been informed of the following shareholdings that represent 3% or more of the issued Ordinary Shares of the Company as at 18th of March 2022:

Directors' Report (continued)

For the Year Ended 31 October 2021

Substantial Interests as at 18 March 2022

Shareholder	Shareholding	Percentage of the Company's Ordinary Share Capital
Barclays Direct Investing Nominees Limited	726,247	3.31%
CGWL Nominees Limited	1,356,338	6.17%
Hargreaves Lansdown (Nominees) Limited	1,167,851	5.32%
HSBC Global Custody Nominee (Uk) Limited	1,491,847	6.79%
Interactive Investor Services Nominees Limited	2,975,078	13.54%
JIM Nominees Limited	1,625,041	7.40%
Lynchwood Nominees Limited	5,150,000	23.45%
Pershing Nominees Limited	1,026,172	4.67%
Vidacos Nominees Limited	1,901,856	8.66%

Auditors

Jeffreys Henry LLP has expressed its willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom. 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 Company and the Group and of the profit or loss of the Company and the Group for that year. 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 the Group and Parent Company financial statements have been prepared in accordance with IFRS as adopted by the United Kingdom, 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 enough to show and explain the Group and Parent Company's transactions, disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for safeguarding the assets of the Group and Parent Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' Report (continued)

For the Year Ended 31 October 2021

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website.

Statement of Disclosure to Auditors

Each person who is a Director at the date of approval of this Annual Report confirms that:

- So far as the Directors are aware, there is no relevant audit information of which the Group and Parent Company's auditors are unaware;
- Each Director has taken all the steps he ought as Director, in order to make himself aware of any relevant audit information and to establish that the Group and Parent Company's auditors are aware of that information, and
- Each Director is aware of and concurs with the information included in the Strategic Report.

Branches Outside the UK

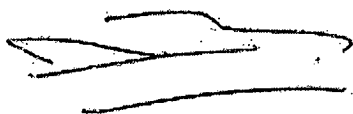
The Group head office is in London and Dynamic Intertrade (Pty) Limited's office is located in South Africa.

Events after the Reporting Period

Further information on events after the reporting date is set out in note 33.

Strategic Report

In accordance with Section 414C (11) of the Companies Act 2006, the group chooses to report the review of the business, the outlook and the risk and uncertainties faced by the Company in the Strategic Report on pages 5 to 10. The directors' assessment of the risks faced by the Group are set out in the Strategic Report and in Note 30 to the financial statements.



On Behalf of the Board
Andrew Monk, Chairman
31st March 2022

Directors' Remuneration Report

For the Year Ended 31 October 2021

Introduction

The information included in this report is not subject to audit other than where specifically indicated.

Remuneration Committee

The remuneration committee consists of Andrew Monk and Matt Bonner. This committee's primary function is to review the performance of executive directors and senior employees and set their remuneration and other terms of employment.

The committee is also responsible for administering any share option schemes. The table indicates share options held by the current directors, directors of the subsidiary and former directors of the company.

Director	2021 Warrants	2021 Options	2020 Warrants	2020 Options
Andrew Monk	4,931,266	191,952	691,266	191,952
Robert Scott	820,000	50,000	128,578	50,000
Matthew Bonner	968,578	180,000	128,578	180,000
David Lenigas (resigned)	1,060,000	-	-	-
Totals	7,779,844	421,952	948,422	421,952

The Company has one executive director.

The remuneration policy

It is the aim of the committee to remunerate executive directors competitively and to reward performance. The remuneration committee determines the company's policy for the remuneration of executive directors, having regard to the UK Corporate Governance Code 2018.

Service agreements and terms of appointment

The directors have service contracts with the company.

Directors' interests

The directors' interests in the share capital of the company are set out in the Directors' report.

Directors' emoluments (Audited)

Salaries and Fees	Group 2021 £	Group 2020 £
David Lenigas	9,000	12,000
Robert Scott	12,000	12,000
Andrew Monk *	13,966	13,896
Matt Bonner	12,000	12,000
	46,966	49,896

Directors' Remuneration Report (continued)

For the Year Ended 31 OCTOBER 2021

* Included in Andrew Monk's remuneration is £1,966 (2020: £1,896) for National Insurance.

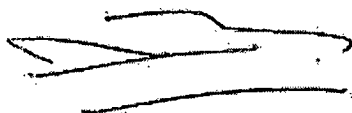
No pension contributions were made by the company on behalf of its directors other than for Andrew Monk.

At the year-end a total of £70,232 (2020: £194,266) was outstanding in respect of directors' emoluments.

Approval by shareholders

At the next annual general meeting of the company a resolution approving this report is to be proposed as an ordinary resolution.

This report was approved by the board on 31st March 2022.



On Behalf of the Board
Andrew Monk - Committee Chairman
31st March 2022

Chairman's Corporate Governance Statement

For The Year Ended 31 October 2021

The Directors recognise the importance of sound corporate governance while taking into account the Group's size and stage of development. We recognise that we require the company to:

- provide details of a recognised corporate governance code that the board of directors has decided to apply
- explain how the Company complies with that code, and where it departs from its chosen corporate governance code provide an explanation of the reasons for doing so.

The corporate governance disclosures need to be reviewed annually, and the company is also required to state the date on which these disclosures were last reviewed. This Chairman's Corporate Governance Statement sets out how Anglo African Agriculture Plc seeks to comply with these requirements. The Directors acknowledge that they have overall responsibility for the Company's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and even the most effective system can provide only reasonable, and not absolute, assurance with respect to the preparation of financial information and the safeguarding of assets. The close involvement of the Directors in all decisions and actions undertaken by the Company is intended to ensure that the risks to the Company are minimised.

Overview

As Chairman of the Board of Directors it is my responsibility to ensure that the company has both sound corporate governance and an effective Board. The company is listed on the main board of the London Stock Exchange and its principal activity is as an investor in the African continent. The Group is currently focused on companies located in South Africa.

The company's Board has adopted the principles of the Quoted Companies Alliance Corporate Governance Code 2018 Edition (QCA Code) in accordance with the London Stock Exchange. The QCA Code identifies ten principles to be followed in order for companies to deliver growth in long term shareholder value, encompassing an efficient, effective and dynamic management framework accompanied by communication to promote confidence and trust. This report follows the structure of these guidelines and explains how we have applied the guidance as well as disclosing any areas of non-compliance. We will provide annual updates on our compliance with the QCA Code. The Board considers that the Group complies with the QCA Code so far as it is practicable having regard to the size, nature and current stage of development of the Company, and will disclose any areas of noncompliance in the text below.

The sections below set out the ways in which the Group applies the ten principles of the QCA Code in support of the Group's medium to long-term success.

Key governance changes during the year include the formal adoption of the QCA Code.

QCA Principles

1. Establish a strategy and business model which promotes long-term value for shareholders

Anglo African Agriculture Plc is an investment company focused on opportunities principally in the African continent. The Company currently has an investment in the food sector in South Africa.

The Company may exploit a wide range of investment opportunities within the target Sectors as they arise and, to this end, the Company has complete flexibility in selecting the specific investment and trading strategies that it sees fit in order to achieve its investment objective. In this regard, the Company may seek to gain Board representation and/or managerial control in its underlying investments if it deems to be the best way of generating value for Shareholders. Opportunities will be chosen through a careful selection process which will appraise both the fundamental factors specific to the opportunity as well as wider economic considerations. Typical factors that will be considered are the strength of management, the quality of the asset base, the investment's scale and growth potential, the commodity price outlook, any geopolitical concerns, the underlying financial position, future working capital requirements as well as potential exit routes. Investments may be in the form of buy-outs, controlling positions (whether initially or as a result of additional or follow-on investments) or strategic minority investments. There is no fixed limit on the number of projects or companies into which the Company may invest, nor the proportion of the Company's gross assets that any investment may represent at any time. No material change will be made to the Company's investing policy without the approval of Shareholders.

Chairman's Corporate Governance Statement (continued)

For the Year Ended 31 October 2021

Challenges to delivering strategy, long-term goals and capital appreciation are uncertain in relation to organisational, operational, financial and strategic risks, all of which are outlined in the Strategic Report on pages 7 - 9, as well as steps the Board takes to protect the Company by mitigating these risks and secure a long-term future for the Company.

2. Seek to understand and meet shareholder needs and expectations

The Board recognises the importance of communication with its stakeholders and is committed to establishing constructive relationships with investors and potential investors in order to assist it in developing an understanding of the views of its shareholders. The Company also maintains a dialogue with shareholders through formal meetings such as the AGM, which provides an opportunity to meet, listen and present to shareholders, and shareholders are encouraged to attend in order to express their views on the Company's business activities and performance. Members who have queries regarding the Company's AGM can contact the Company's Registrars, Neville Registrars or the Company Secretary. The Board welcomes feedback from key stakeholders and the Chairman of the Board is the shareholder liaison, who meets shareholders regularly, and informs other directors of their views and suggestions. Analysts provide the Board with updates on the Company's business and how strategy is being implemented, as well as to hear views and expectations from shareholders. The views of the shareholders expressed during these meetings are reported to the Board, ensuring that all members of the Board are fully aware of the thoughts and opinions of shareholders. The Company maintains effective contact with its principal shareholders and welcomes communications from its private investors. Information on the Investor Relations section of the Company's website is kept updated and contains details of relevant developments, Annual and Interim Results, Regulatory News Service announcements, presentations and other key information.

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Board recognises that the long-term success of the Company is reliant upon the efforts of employees, regulators and many other stakeholders. The Board has put in place a range of processes and systems to ensure that there is close oversight and contact with its key resources and relationships. The Company prepares and updates its strategic plan regularly together with a detailed rolling budget and financial projections which consider a wide range of key resources including staffing, consultants and utility providers. The Board is kept updated on questions / issues raised by stakeholders and incorporates information and feedback into future decision making. Anglo African Agriculture PLC fully abides by the provisions of the 2015 Modern Slavery Act. In accordance with its Code of Business Conduct and Ethics, the Company opposes the crime of slavery in all of its forms, including child labour, servitude, forced or compulsory labour and human trafficking.

All employees within the Group are valued members of the team, and the Board seeks to implement provisions to retain and incentivise all its employees. The Group offers equal opportunities regardless of race, gender, gender identity or reassignment, age, disability, religion or sexual orientation. The directors are in constant contact with employees and seek to provide continual opportunities in which issues can be raised allowing for the provision of feedback. This feedback process helps to ensure that new issues and opportunities that arise may be used to further the success of the Company. Share options and other equity incentives are offered to employees. The Company complies fully with all employment legislation where it has operations.

4. Embedded effective risk management, considering both opportunities and threats, throughout the organisation

The Board recognises the need for an effective and well-defined risk management process and it oversees and regularly reviews the current risk management and internal control mechanisms. The Board regularly reviews the risks facing the Company as detailed in the Strategic Report and seeks to exploit, avoid or mitigate those risks as appropriate. The Board is responsible for the monitoring of financial performance against budget and forecast and the formulation of the Company's risk appetite including the identification, assessment and monitoring of the Company's principal risks. Additionally, the Board reviews the mechanisms of internal control and risk management it has implemented on an annual basis and assesses both for effectiveness. On the wider aspects of internal control, relating to operational and compliance controls and risk management, the Board, in setting the control environment, identifies, reviews, and regularly reports on the key areas of business risk facing the Group.

The Group Board and subsidiary Boards maintain close day to day involvement in all of the Group's activities which enables control to be achieved and maintained. This includes the comprehensive review of both management and technical reports, the monitoring of interest rates, environmental considerations, government and fiscal policy

Chairman's Corporate Governance Statement (continued)

For the Year Ended 31 October 2021

issues, employment and information technology requirements and cash control procedures. In this way, the key risk areas can be monitored effectively, and specialist expertise applied in a timely and productive manner.

The effectiveness of the Group's system of internal financial controls, for the year to 31 October 2021 and for the period to the date of approval of the financial statements, has been reviewed by the Directors. Whilst they are aware that although no system can provide for absolute assurance against material misstatement or loss, they are satisfied that effective controls are in place.

5. Maintain the Board as a well-functioning, balanced team led by the Chair

The Board recognises the QCA recommendation for a balance between Executive and Non-Executive Directors and the recommendation that there be at least two Independent Non-Executives. The Board currently comprises of one Executive Director, two Non-Executive Directors and one Non-Executive Chairman. The Board will take this into account when considering future appointments. However, all Directors are encouraged to use their judgement and to challenge matters, whether strategic or operational, enabling the Board to discharge its duties and responsibilities effectively. The Board maintains that the Board's composition will be frequently reviewed as the Company develops. The Company is small and as a result has an audit and risk committee and a remuneration and nominations committee. It is not deemed appropriate to have more committees.

The Group is controlled and led by the Board of Directors with an established schedule of matters reserved for their specific approval. The Board meets regularly throughout the year and is responsible for the overall Group strategy, acquisition and divestment policy, approval of major capital expenditure and consideration of significant financial matters. It reviews the strategic direction of the Company and its individual subsidiaries, their annual budgets, their progress towards achievement of these budgets and their capital expenditure programmes. The role of the Chairman is to supervise the Board and to ensure its effective control of the business, and that of the Executive Director is to manage the Group on the Board's behalf. All Board members have access, at all times, to sufficient information about the business, to enable them to fully discharge their duties. Also, procedures exist covering the circumstances under which the Directors may need to obtain independent professional advice. The Board meets regularly and is responsible for formulating, reviewing and approving the Group's strategy, budgets, performance, major capital expenditure and corporate actions. Detailed biographies of the Board members can be found on the website and summaries can be found on page 11.

Throughout the year, there have been four Board meetings, with all meetings being quorate. The Directors of the Company are committed to sound governance of the business and each devotes enough time to ensure this happens.

Directors' conflict of interest

The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board.

6. Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Company believes that the current balance of skills in the Board as a whole reflects a very broad range of personal, commercial and professional skills, and notes the range of financial and managerial skills. The Non-Executive Directors maintain ongoing communications with the Executive between formal Board meetings. Biographical details of the Directors can be found on the Company's website and in the Directors' Report of this report.

Stephen Clow is the Company Secretary and helps the Company comply with all applicable rules, regulations and obligations governing its operation. The company can also draw on the advice of its solicitors and corporate and financial advisors – VSA Capital. The Directors have access to all advisors, Company Secretary, lawyers and auditors as and when required and are able to obtain advice from other external bodies when necessary. If required, the Directors are entitled to take independent legal advice and if the Board is informed in advance, the cost of the advice will be reimbursed by the Company. Board composition is always a factor for consideration in relation to succession planning. The Board will seek to consider any Board imbalances for future nominations, with areas considered including board independence and gender balance. The Group considers however that at this stage of its development and given the current size of its Board, it is not necessary to establish a formal Nominations Committee. Instead, the appointments to the Board are made by the Board as a whole and this position is reviewed on a regular basis by the Board.

7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

Chairman's Corporate Governance Statement (continued)

For the Year Ended 31 October 2021

The Directors consider that the Company and Board are not yet of a sufficient size for a full Board evaluation to make commercial and practical sense. In the frequent Board meetings/calls, the Directors can discuss any areas where they feel a change would benefit the Company, and the Company Secretary remains on hand to provide impartial advice. As the Company grows, it expects to expand the Board and with the Board expansion, re-consider the need for Board evaluation. The Board continues to conduct internal and external Board evaluations which consider the balance of skills, experience, independence and knowledge of the Company. The evaluation process, the Board refreshment, use of third-party search companies and succession planning elements are discussed. The Board evaluation of the Executives' performance is carried out on a regular basis. Given the level of activity and size of the Company, no other evaluation is seen as appropriate. In view of the size of the Board, the responsibility for proposing and considering candidates for appointment to the Board as well as succession planning is retained by the Board. All Directors submit themselves for re-election at the AGM at regular intervals.

8. Promote a corporate culture that is based on ethical values and behaviours

The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The Board is aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. The corporate governance arrangements that the Board has adopted are designed to ensure that the Company delivers long term value to its shareholders, and that shareholders have the opportunity to express their views and expectations for the Company in a manner that encourages open dialogue with the Board. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The Board places great importance on their responsibility for producing accurate financial statements. The Board also places great importance on accuracy and honesty and seeks to ensure that this aspect of corporate life flows through all that the Company does. A large part of the Company's activities is centred upon an open and respectful dialogue with employees, clients and other stakeholders. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The Directors consider that the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge. Whilst the Company has a small number of employees, the Board maintains that as the company grows it intends to maintain and develop strong processes which promote ethical values and behaviours across all hierarchies.

The Board has adopted an anti-corruption and bribery policy (Bribery Policy). The Bribery Policy applies to all Directors and employees of the Group, and sets out their responsibilities in observing and upholding a zero-tolerance position on bribery and corruption, as well as providing guidance to those working for the Company on how to recognise and deal with bribery and corruption issues and the potential consequences.

The Board complies with Rules relating to dealings in the Company's securities by the Directors and other Applicable Employees. To this end, the Company has adopted a code for Directors' dealings appropriate for a company whose shares are admitted to trading on LSE and takes all reasonable steps to ensure compliance by the Directors and any relevant employees.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board is committed to, and ultimately responsible for, high standards of corporate governance. The Board reviews the Company's corporate governance arrangements regularly and expect to evolve this over time, in line with the Company's growth.

The Board delegates responsibilities to Committees and individuals as it sees fit.

The Chairman's principal responsibilities are to ensure that the Company and its Board are acting in the best interests of shareholders.

His leadership of the Board is undertaken in a manner which ensures that the Board retains integrity and effectiveness and includes creating the right Board dynamic and ensuring that all important matters, in particular strategic decisions, receive adequate time and attention at Board meetings.

The Chairman of Anglo African Agriculture is the key contact for shareholder liaison and all other stakeholders.

The Executive Director is responsible for the general day-to-day running of the business and developing corporate strategy.

Chairman's Corporate Governance Statement (continued)

For the Year Ended 31 October 2021

The Executive Director has, through powers delegated by the Board, the responsibility for leadership of the management team in the execution of the Group's strategies and policies and for the day-to-day management of the business. He is responsible for the general day-to-day running of the business and developing corporate strategy while the Non-Executive Directors are tasked with constructively challenging the decisions of executive management and satisfying themselves that the systems of business risk management and internal financial controls are robust.

All Directors participate in the key areas of decision-making, including the following matters:

- Strategy
- Budgets
- Performance
- Major Capital Expenditure
- Corporate Actions

The Board would normally delegate authority to a number of specific Committees to assist in meeting its business objectives, and the Committees, comprising of at least two independent Non-Executive Directors, would meet independently of Board meetings.

However, the current Board structure does not permit this, and the Directors will seek to take this into account when considering future appointments. As a result, matters that would normally be referred to the Nominations Committee are dealt with by the Remuneration Committee.

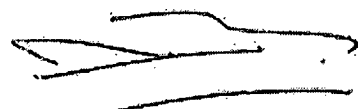
The Chairman and the Board continue to monitor and evolve the Company's corporate governance structures and processes, and maintain that these will evolve over time, in line with the Company's growth and development.

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board is committed to maintaining effective communication and having constructive dialogue with its stakeholders. The Company intends to have ongoing relationships with both its private and institutional shareholders (through meetings and presentations), and for them to have the opportunity to discuss issues and provide feedback at meetings with the Company. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting. The Board already discloses the result of General Meetings by way of announcement and discloses the proxy voting numbers to those attending the meetings. In order to improve transparency, the Board has committed to publishing proxy voting results on its website in the future.

The Company communicates with shareholders through the Annual Report and Accounts, full-year and half-year results announcements and the Annual General Meeting (AGM). Information on the Investor Relations section of the Group's website is kept updated and contains details of relevant developments, regulatory announcements, financial reports and shareholder circulars. A range of corporate information (including all Company announcements and presentations) is also available to shareholders, investors and the public on the Company's corporate website.

Shareholders with a specific enquiry can contact us on the website contact page. The Company uses electronic communications with shareholders in order to maximise efficiency.



On behalf of the Board
Andrew Monk, Chairman
31st March 2022

Corporate Governance Report

For the Year Ended 31 October 2021

Introduction

The Board continues to recognise that an effective governance framework is fundamental in ensuring that the Group's ability to deliver long term shareholder value. The Group continues to apply the principles and is compliant with the provisions of the UK Corporate Governance 2018.

Board composition

It is critical that the Board has the right composition, so it can provide the best possible leadership for the Group and discharge its duties to shareholders. This includes the right balance of skills and experience, ensuring that all directors have a good working knowledge of the Group's business and that the Board retains its independence and objectivity.

The board currently comprises of two non-executive directors and one executive director. Andrew Monk was appointed chairman on 31 July 2021.

The articles of association require a third, but not greater than a third, of the directors to retire by rotation each year.

There are regular board meetings each year and other meetings are held as required to direct the overall company strategy and operations. Board meetings follow a formal agenda covering matters specifically reserved for decision by the board. These cover key areas of the company's affairs including overall strategy, acquisition policy, approval of budgets, major capital expenditure and significant transactions and financing issues.

During the year there were four Board meetings that were held. The previous Chairman excused himself for three meetings and other than this all meetings were attended by the full Board. All meetings were quorate.

The Board has delegated certain responsibilities, within defined terms of reference, to the audit committee and the remuneration committee as described below. The appointment of new directors is made by the board as a whole. During the year ended 31 October 2021, there were four Board meetings, two audit committee meeting and one remuneration committee meeting. Not all meetings were fully attended however each was quorate.

The Board undertakes a formal annual evaluation of its own performance and that of its committees and individual directors, through discussions and one-to-one reviews.

Board effectiveness

The Board is unanimous in its view that the Board appointments have a range of experience, skills and strength of leadership. The Company's procedures for new directors include undergoing a full induction process, and will continue with ongoing training, tailored to their knowledge and previous experience. A short biography of all Directors can be found in the Directors' Report herein.

Shareholder engagement

As Chairman, I am responsible for the effective communication between shareholders and the Company and for ensuring the Board understands the views of major shareholders.

I look forward to listening to the views of our shareholders at the Company's 2021 AGM. Directors regularly meet with a cross section of the Company shareholders to ensure an ongoing dialogue is maintained and report to the Board on feedback received from shareholders. I also make myself available to meet any of our shareholders who wish to discuss matters regarding the Company. An investor relations report is part of our regular Board meetings.

Corporate Governance Report (continued)

For the Year Ended 31 October 2021

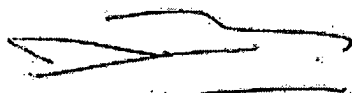
Audit committee

The audit committee is currently headed by Andrew Monk, the Chairman, and comprises Robert Scott and Matthew Bonner. The committee's terms of reference are in accordance with the UK Corporate Governance Code. The committee reviews the company's financial and accounting policies, interim and final results and annual report prior to their submission to the board, together with management reports on accounting matters and internal control and risk management systems. It reviews the auditor's management letter and considers any financial or other matters raised by both the auditors and employees.

The committee considers the independence of the external auditors and ensures that, before any non-audit services are provided by the external auditors, they will not impair the auditor's objectivity and independence. During the year, non-audit services totalled £Nil (2020: £800).

There is currently no internal audit function within the Group. The directors consider that this is appropriate of a Group of this size.

The committee has primary responsibility for making recommendations to the board in respect of the appointment, re-appointment and removal of the external auditors.



On Behalf of the Board
Andrew Monk, Chairman
31st March 2022

Independent Auditor's Report

To the Members of Anglo African Agriculture Plc

Independent auditor's report to the members of Anglo African Agriculture Plc

Opinion

We have audited the financial statements of Anglo African Agriculture Plc (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 October 2021 which comprise the Group and Company statements of comprehensive income, statements of changes in equity, statements of financial position, statements 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 the preparation of the Group and Parent Company financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 October 2021 and of the Group's and parent Company's loss for the year then ended;
- the Group and Parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the United Kingdom;
- the financial statements 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 as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2a in the financial statements, which explains that the Group has incurred significant operating losses and negative cash flows from operations. The Group forecasts indicate that no additional funding will be required and that sufficient cash should be available for the following 12 months to settle all working capital requirements. In the event that Dynamic Intertrade fails to meet its revenue predictions, the Group will need to obtain additional debt or equity financing in order to fund its operations for at least the next twelve months. Furthermore, the directors have agreed to defer the payment of their fees until such time that the company is in a position to pay such fees without affecting its ability to pay current liabilities as become due and without affecting its ability to support its subsidiary, Dynamic Intertrade (Pty) Ltd, given the potential for future cashflow deficits. These events or conditions, along with other matters as set out in note 2a indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included:

- a review of management's budgets and cashflow forecasts for the 12 months from proposed sign off date;

- a review of the inputs and assumptions utilised in the budgets and cashflow forecasts taking into account our knowledge of the group and its levels of operating cashflows;
- obtaining signed salary deferral letters from the directors of the Company to ensure the Group maintains a positive cashflow balance;
- stress testing of the forecasted cashflows and comparison to actual result post year-end to date;
- a review of the cash balances held by the group at year end date and at sign-off date.

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

Our audit approach

Overview

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the 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, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit:

- Recoverability of the long-term loans
- Carrying value of the long-term investment

These are explained in more detail below.

Audit scope

- We conducted audits of the complete financial information of Anglo African Agriculture Plc, Dynamic Intertrade (Pty) Limited and Dynamic Intertrade Agri (Pty) Limited;
- We performed specified procedures over certain account balances and transaction classes at other Group companies.
- Taken together, the Group companies over which we performed our audit procedures accounted for 100% of the absolute profit before tax (i.e. the sum of the numerical values without regard to whether they were profits or losses for the relevant reporting units) and 100% of revenue.

Key audit matters

Key audit matter	How our audit addressed the key audit matter
Carrying value of the long-term loans (Group & Parent) The Company had long term loans owed of £1,002,918 at the year ended 31 October 2021. (31 October 2020: £884,651). The Directors have confirmed the loans are all treated as long term, with flexible repayment terms, with interest all rolled up and included in any repayment due.	The analysis work undertaken by the directors shows that the subsidiary is not expected to remain cash generative and profitable based on their current business, thus a full impairment was considered appropriate. We have understood and assessed the methodology used by the directors in this analysis and determined it to be reasonable.

Key audit matter	How our audit addressed the key audit matter
The Company had a long-term loan to Dynamic Intertrade (Pty) Limited of £504,820 and interest of accrued of £137,541 (31 October 2020: £415,000 and interest accrued of £109,094) at the year ended 31 October 2021. The Company had a short-term loan to Dynamic Intertrade Limited of £360,557 (31 October 2020: £360,557) at the year ended 31 October 2021. Upon review, both intercompany loans and interest have been impaired, and a corresponding provision has been made against these balances. The Group and Company had a loan to Touchwood Investments Limited of £nil (31 October 2020: £994,729) at the year ended 31 October 2021 – this loan was fully repaid during the year.	We reviewed the component auditor's working papers and carried out additional testing on high-risk areas. Touchwood Investments Limited, also known as the Comarco Group, operates a port in Mombasa. The Comarco Group has fully repaid the loan to The Company before the year end. We have confirmed the interest has been accrued correctly and agreed the loan to the signed agreement.
Carrying value of the long-term investment (Parent) During the year the Company had Investment in subsidiary of £nil (31 October 2020: £71,271). The directors have assessed whether the investment shows any indicators of impairment – the investment has been fully impaired in the current year.	We have reviewed the financials of the subsidiary and having reviewed the performance to date alongside previously forecasted profits, the subsidiary is not performing as expected and is loss making. We reviewed the latest management accounts post-year end for the subsidiary and agree with management's decision to fully impair this investment.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Company financial statements
Overall materiality	£24,600 (31 October 2020: £83,000).	£22,200 (31 October 2020: £56,000).
How we determined it	Based on 10% of loss before tax	Based on 10% of loss before tax.
Rationale for benchmark applied	We believe that loss before tax is a primary measure used by shareholders in assessing the performance of the Group.	We believe that loss before tax is a primary measure used by shareholders in assessing the performance of the Company.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between £14,000 and £22,200.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £1,230 (Group audit) (31 October 2020: £4,150) and £1,110 (Company audit) (31 October 2020: £2,800) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

The Group financial statements are a consolidation of 3 reporting units, comprising the Group's operating businesses and holding companies.

We performed audits of the complete financial information of Anglo African Agriculture Plc and Dynamic Intertrade (Pty) Limited reporting units, which were individually financially significant and accounted for 100% of the Group's revenue and 100% of the Group's absolute profit before tax (i.e. the sum of the numerical values without regard to whether they were profits or losses for the relevant reporting units). We also performed specified audit procedures over certain account balances and transaction classes that we regarded as material to the Group at the 3 reporting units, one based in the United Kingdom and 2 more in South Africa.

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 the part of the directors' remuneration report to be audited has been properly prepared in accordance with 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; and
- the Directors' Remuneration report has been properly prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 14, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the group through discussions with directors and other management.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including taxation legislation, data protection, anti-bribery, employment, environmental, health and safety legislation and anti-money laundering regulations.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and
- we assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
 - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
 - considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 of the group financial statements were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and the group's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of noncompliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Other matters which we are required to address

We were appointed by the shareholders on 10 July 2013 to audit the financial statements for the period ending 31 March 2013. Our total uninterrupted period of engagement is 8 years, covering the periods ending 31 March 2013 to 31 October 2021.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the parent Company and we remain independent of the Group and the parent Company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of this 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.

Sudhir Rawal (Senior Statutory Auditor)
For and on behalf of Jeffreys Henry LLP, Statutory Auditor
Finsgate
5-7 Cranwood Street
London EC1V 9EE
31st March 2022



Statement of Comprehensive Income

For the Year Ended 31 October 2021

	Notes	Group Year ended 31 October 2021 £	Group Year ended 31 October 2020 £	Company Year ended 31 October 2021 £	Company Year ended 31 October 2020 £
Revenue from Contracts with Customers	5	1,404,234	1,773,710	-	-
Cost of Sales		(1,024,430)	(1,350,201)	-	-
Gross Profit		379,804	423,509	-	-
Other Income	6	-	3,000	-	3,000
Administrative expenses	9	(895,464)	(1,139,219)	(345,735)	(524,165)
Admission expenses	9	-	(140,151)	-	(140,151)
Impairments	10	-	(226,644)	(161,091)	(1,111,295)
Operating loss		(515,660)	(1,079,505)	(506,826)	(1,772,611)
Finance costs	11	(224,631)	(96,943)	(99,785)	(30,082)
Finance income	12	155,658	140,963	158,568	182,685
Loss for the year from continuing operations		(584,633)	(1,035,485)	(448,043)	(1,620,008)
Tax on loss on ordinary activities	13	-	-	-	-
Loss for the year from continuing operations		(584,633)	(1,035,485)	(448,043)	(1,620,008)
Total comprehensive loss for the year from continuing operations		(584,633)	(1,035,485)	(448,043)	(1,620,008)
Loss attributable to ordinary shareholders		(584,633)	(1,035,485)	(448,043)	(1,620,008)
Total comprehensive loss attributable to ordinary shareholders		(584,633)	(1,035,485)	(448,043)	(1,620,008)
Basic and diluted earnings per share	14	(2.66p)	(5.16p)		

All amounts relate to continuing operations.

Group Statement of Changes in Equity

For the Year Ended 31 October 2021

Group	Share Capital £	Share Premium £	Share Based Payments Reserve £	Equity Portion of Convertible Loan Notes £	Retained Earnings £	Total Equity £
Balance at 31 October 2019	387,984	2,519,909	83,377	-	(2,796,409)	194,861
Share Issue	51,338	51,338	-	-	-	102,676
Loss for the year	-	-	-	-	(1,035,485)	(1,035,485)
Balance at 31 October 2020	439,322	2,571,247	83,377	-	(3,831,894)	(737,948)
Equity portion of Convertible Loan Notes issued during the year	-	-	-	74,935	-	74,935
Loss for the year	-	-	-	-	(584,633)	(584,633)
Balance at 31 October 2021	439,322	2,571,247	83,377	74,935	(4,416,527)	(1,247,646)

Share capital is the amount subscribed for shares at nominal value.

The share premium has arisen on the issue of shares at a premium to their nominal value.

Share-based payments reserve relate to the charge for share-based payments in accordance with IFRS 2.

Retained earnings represent the cumulative loss of the Group attributable to equity shareholders.

Company Statement of Changes in Equity

For the Year Ended 31 October 2021

Company	Share Capital £	Share Premium £	Share Based Payments Reserve £	Equity Portion of Convertible Loan Notes £	Retained Earnings £	Total Equity £
Balance at 31 October 2019	387,984	2,519,909	83,377	-	(1,849,222)	1,142,048
Share Issue	51,338	51,338	-	-	-	102,676
Loss for the year	-	-	-	-	(1,620,008)	(1,620,008)
Balance at 31 October 2020	439,322	2,571,247	83,377	-	(3,469,230)	(375,284)
Equity portion of Convertible Loan Notes issued during the year	-	-	-	74,935	-	74,935
Loss for the year	-	-	-	-	(448,043)	(448,043)
Balance at 31 October 2021	439,322	2,571,247	83,377	74,935	(3,917,273)	(748,392)

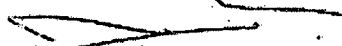
Statement of the Financial Position

As at 31 October 2021

	Notes	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Assets					
Non-Current Assets					
Investment in Subsidiaries	15	-	-	-	71,271
Long Term Intercompany Loans	16	-	-	-	-
Property, Plant and Equipment	17	13,769	15,298	-	-
Right of Use Asset	28	341,905	409,424	-	-
Loan receivable	18	-	994,729	-	994,729
Total Non-Current Assets		355,674	1,419,451	-	1,066,000
Current Assets					
Investment in Associate (held for sale)	15	6,154	6,154	6,154	6,154
Inventories	19	42,682	181,708	-	-
Trade and Other Receivables	20	297,800	291,939	28,737	12,163
Cash and Cash Equivalents	21	1,109,774	45,251	1,108,476	25,624
Total Current Assets		1,456,410	525,052	1,143,367	43,941
Total Assets		1,812,084	1,944,503	1,143,367	1,109,941
Equity and Liabilities					
Share Capital	23	439,322	439,322	439,322	439,322
Share Premium Account	23	2,571,247	2,571,247	2,571,247	2,571,247
Share-Based Payments Reserve	24	83,377	83,377	83,377	83,377
Equity Portion of Convertible Loan Notes	25	74,935	-	74,935	-
Retained Earnings		(4,416,527)	(3,831,894)	(3,917,273)	(3,469,230)
Total Equity		(1,247,646)	(737,948)	(748,392)	(375,284)
Non-Current Liabilities					
Non-Current Lease Liabilities	28	269,215	344,025	-	-
Borrowings	27	466,064	428,719	-	-
Convertible Loan Notes	26	778,065	250,000	778,065	250,000
Total Non-Current Liabilities		1,513,344	1,022,744	778,065	250,000
Current Liabilities					
Current Lease Liabilities	28	77,887	66,477	-	-
Trade and Other Payables	22	1,468,499	1,593,230	1,113,694	1,235,225
Total Current Liabilities		1,546,386	1,659,707	1,113,694	1,235,225
Total Equity and Liabilities		1,812,084	1,944,503	1,143,367	1,109,941

The notes on pages 36 to 83 form part of these financial statements

Approved by the Board and authorised for issue on 31st March 2022.


 Andrew Monk, Non-Executive Chairman
 Company Registration No. 07913053

Statement of Cash Flow

For the year ended 31 October 2021

	Notes	Group Year ended 31 October 2021 £	Group Year ended 31 October 2020 £	Company Year ended 31 October 2021 £	Company Year ended 31 October 2020 £
Cash flows from operating activities					
Operating loss		(515,660)	(1,079,505)	(506,826)	(1,772,611)
Adjustments for:					
Add: Depreciation	17,28	78,109	38,322	-	-
Add: Impairment of investment	10	-	226,644	161,091	1,111,295
Add: Settlement discounts received		-	-	-	-
Add: (Profit)/loss on disposal of property, plant and equipment	17	139	-	-	-
Add: unrealised foreign exchange loss		(65,301)	74,572	-	17,321
Finance costs paid	11	(93,378)	(69,853)	-	(2,992)
Interest received	12	155,658	492	149,359	-
Changes in working capital					
Decrease in inventories		137,401	(119,133)	-	-
(Increase) / decrease in receivables		(8,363)	102,640	(16,574)	13,499
Increase / (decrease) in payables		262,565	719,314	212,409	562,053
Net cash flow from operating activities		(48,830)	(106,507)	(541)	(71,435)
Investing Activities					
Acquisition of property, plant and equipment	17	(8,767)	(3,423)	-	-
Foreign exchange movements	17	433	2,190	-	-
Increase in Intercompany Loans Receivable		-	-	(80,611)	-
Loans Receivable repaid	18	944,004	-	944,004	-
Net cash flow from investing activities		935,670	(1,233)	863,393	-
Cash flows from financing activities:					
Net proceeds from issue of shares	23	-	102,676	-	102,676
Convertible loan notes issued	26	220,000	-	220,000	-
Increase / (Decrease) in borrowings	29	32,973	38,687	-	(10,000)
Foreign exchange movements	29	(8,043)	26,941	-	-
Capital repayments of lease liability		(67,071)	(20,471)	-	-
Net cash flow from financing activities		177,859	147,833	220,000	92,676
Net cash flow for the period	29	1,064,699	40,093	1,082,852	21,241
Opening Cash and cash equivalents		45,251	5,218	25,624	4,383
Foreign exchange movements	29	(176)	(60)	-	-
Closing Cash and cash equivalents	21/29	1,109,774	45,251	1,108,476	25,624

Notes to Group Annual Financial Statements

For the Year Ended 31 October 2021

1. General Information

Anglo African Agriculture plc is a company incorporated in the United Kingdom. Details of the registered office, the officers and advisors to the Company are presented on the Directors and Advisors page at the beginning of this report. The Company has a standard listing on the London Stock Exchange main market. The information within these financial statements and accompanying notes have been prepared for the year ended 31 October 2021 with comparatives for the year ended 31 October 2020.

2. Basis of Preparation and Significant Accounting Policies

The consolidated financial statements of Anglo African Agriculture plc have been prepared in accordance with International Financial Reporting Standards as adopted by the United Kingdom (IFRS as adopted by the UK), IFRS Interpretations Committee and the Companies Act 2006 applicable to companies reporting under IFRS.

The consolidated financial statements have been prepared under the historical cost convention in the Group's reporting currency of Pound Sterling.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3. The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Although these estimates are based on management's experience and knowledge of current events and actions, actual results may ultimately differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year or in the year of the revision and future year if the revision affects both current and future year.

a. Going Concern

These consolidated financial statements are prepared on the going concern basis. The going concern basis assumes that the Group will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities and commitments in the normal course of business. The Group has incurred significant operating losses and negative cash flows from operations as the Group continued to expand its operations during the year under review.

There remains an active and liquid market for the Group's shares.

As at 31 October 2021 the Group held £1,109,774 (2020: £45,251) in cash and cash equivalents.

The directors have agreed to defer the payment of their directors fees until such time that the company is in a position to pay such fees without affecting its ability to pay current liabilities as they become due and without affecting its ability to support Dynamic Intertrade (Pty) Ltd, given the potential for future cashflow deficits. The Directors have prepared cash flow forecasts, which include several cost saving initiatives undertaken and the appointment of a chief executive officer, for the period ended 31 March 2023. These forecasts consider operating cash flows and capital expenditure requirements for the Company and Dynamic Intertrade, available working capital and forecast expenditure, including overheads and other costs. The forecasts include additional funding requirements, which the directors believe will be met. As in prior years, in the event that additional funding is

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

required, the directors have agreed to participate in any fund raises that may be necessary at the time. Based upon the company's forecast, it has sufficient cash for the foreseeable future.

In the event that Dynamic Intertrade fails to meet revenue predictions and any other relevant risk factors arise, the Group will need to obtain additional debt finance or equity to fund its operations for the period to 31 March 2023. The cash flow forecast is dependent on production targets being met at Dynamic Intertrade, maintaining the invoice financing arrangements, generating future sales and the selling prices remaining stable during the period to 31 March 2023.

After careful consideration of the matters set out above, the Directors are of the opinion that the Group will be able to undertake its planned activities for the period to 31 March 2023 from production and from additional fund raising and have prepared the consolidated financial statements on the going concern basis. Nevertheless, due to the uncertainties inherent in meeting its revenue predictions and obtaining additional fund raising there can be no certainty in these respects. The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern. For this reason, the directors believe that there is a material uncertainty relating to the group's going concern.

b. New and Amended Standards Adopted by the Company

The group have implemented IFRS as adopted by UK. At the point of transition from IFRS as adopted by EU the underlying requirements were identical. The following standards, amendments and interpretations are new and effective for the year ended 31 October 2021 and have been adopted. None of the IFRS standards below had a material impact on the financial statements.

Reference	Title	Summary	Application date of standard (Periods commencing on or after)
IFRS 3	Business combinations	Amends the definition of a business and whether a transaction is accounted for a business combination or an asset acquisition.	1 October 2020
IAS 1 and IAS 8	'Presentation of Financial Statements' and 'Accounting policies, changes in accounting estimates and errors'	i) Use a consistent definition of materiality throughout IFRSs and the Conceptual Framework for Financial Reporting; ii) Clarify the explanation of the definition of material; and iii) Incorporate some of the guidance in IAS 1 about immaterial information.	1 October 2020
IFRS 9, IAS 39 and IFRS 7		Interest rate benchmark reform – Phase 1. The phase 1 amendments provide certain reliefs in connection with interest rate benchmark. The reliefs relate to hedge accounting and have the effect that IBOR reform should not generally cause hedge accounting to terminate.	1 October 2020

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

The following new standards, amendments to standards and interpretations have been issued, but are not effective for the financial year beginning 1 November 2021 and have not been early adopted:

Reference	Title	Summary	Application date of standard (Periods commencing on or after)
IFRS 16	Leases	COVID-19 related rent concessions Extension of the practical expedient	1 April 2021
IFRS 4, IAS 7 and IFRS 16		Interest rate benchmark reform – Phase 2. The Phase 2 amendments address issues that arise from the implementation of the reforms, including the replacement of one benchmark with an alternative one. The Phase 2 amendments provide additional temporary reliefs from applying specific IAS 39 and IFRS 9 hedge accounting requirements to hedging relationships directly affected by IBOR reform.	1 January 2021
IFRS 3	Business Combinations	Updating a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.	1 January 2022
IAS 16	Property, Plant and Equipment	Prohibits a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.	1 January 2022
IAS 37	Provisions, contingent liabilities and contingent assets	Specifies which costs a company includes when assessing whether a contract will be loss-making.	1 January 2022
IAS 1	Presentation of Financial Statements	Clarifies that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.	1 January 2023
IAS 1 and IAS 8	'Presentation of Financial Statements' and 'Accounting policies, changes in accounting estimates and	Amendments to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.	1 January 2023

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Reference	Title	Summary	Application date of standard (Periods commencing on or after)
errors'			
IAS 12	Deferred Taxation	These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.	1 January 2023
IFRS17	Insurance contracts	This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.	1 January 2023

The Directors anticipate that the adoption of these standards and the interpretations in future periods will not have a material impact on the financial statements of the Group.

c. Basis of Consolidation

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

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Where certain assets of the subsidiary are measured at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 "Financial Instruments: Recognition and Measurement" or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment transactions with share-based payment transactions of the Group are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Joint Ventures and Associates

A joint venture is a contractual agreement under which two or more parties conduct an economic activity and unanimous approval is required for the financial and operating policies. Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights. Joint ventures and associates are accounted for using the equity method, which involves recognition in the consolidated income statement of AAA's share of the net result of the joint ventures and associates for the year. Accounting policies of joint ventures and associates have been changed where necessary to ensure consistency with the policies adopted by the Group. AAA's interest in a joint venture or associate is carried in the statement of financial position at its share in the net assets of the joint venture or associate together with goodwill paid on acquisition, less any impairment loss. When the share in the losses exceeds the carrying amount of an equity-accounted company (including any other receivables forming part of the net investment in the company), the carrying amount is written down to nil and recognition of further losses is discontinued, unless we have incurred legal or constructive obligations relating to the company in question.

d. Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less subsequent accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

or loss during the financial year in which they are incurred. Depreciation on property, plant and equipment is calculated using the straight-line method to write off their cost over their estimated useful lives at the following annual rates:

Leasehold improvements	33.3%
Furniture, fixtures and equipment	17%
Plant and machinery	20% and 33.3%

Useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of each reporting year.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the relevant asset and is recognised in profit or loss in the year in which the asset is derecognised.

e. Leased assets

The group leases various offices and equipment. Rental contracts are typically made for fixed periods of 3 years but may have extension options for an additional 2 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The right-of use asset is depreciated over the shorter of the asset's useful life and the lease term as per the table below:

1 st year of the lease	15%
2 nd year of the lease	17%
3 rd year of the lease	20%
4 th year of the lease	22%
5 th year of the lease	26%

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received any initial direct costs, and
- restoration costs.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Payments associated with short term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise moving equipment rented on a day to day basis.

f. Investments in Subsidiaries

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

g. Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using specific identification and in the case of work in progress and finished goods, comprises the cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and applicable selling expenses.

When the inventories are sold, the carrying amount of those inventories is recognised as an expense in the year in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the year in which the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as an expense in the year in which the reversal occurs.

h. Impairment

Non-derivative financial assets

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A 12 months approach is followed in determining the Expected Credit Loss ("ECL").

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

expectation of recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures of recovery of the amounts due.

i. Financial Instruments

The Group classifies non-derivative financial assets into the following categories: loans and receivables and FVTPL and FVTOCI financial assets.

The Group classifies non-derivative financial liabilities into the following category: other financial liabilities.

i. Non-derivative financial assets and financial liabilities – Recognition and derecognition

The Group initially recognises loans and receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date when the entity becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. Gains or losses on derecognition of financial liabilities are recognised in profit or loss as a finance charge.

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

ii. Loans and receivables- Measurement

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

iii. Assets at FVOCI - Measurement

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses, are recognised in OCI and accumulated in the revaluation reserve.

When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

iv. Non-derivative financial liabilities – Measurement

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

v. Convertible loan notes and derivative financial instruments

The presentation and measurement of loan notes for accounting purposes is governed by IAS 32 and IFRS 9. These standards require the loan notes to be separated into two components:

- A derivative liability, and

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

- A debt host liability.

This is because the loan notes are convertible into an unknown number of shares, therefore failing the 'fixed-for-fixed' criterion under IAS 32. This requires the 'underlying option component' of the loan note to be valued first (as an embedded derivative), with the residual of the face value being allocated to the debt host liability (refer financial liabilities policy above).

Compound financial instruments issued by the Group comprise convertible notes denominated in British pounds that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of compound financial instruments is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognised in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

The Group's financial liabilities include amounts due to a director, trade payables and accrued liabilities. These financial liabilities are classified as FVTPL are stated at fair value with any gains or losses arising on re-measurement recognised in profit or loss. Other financial liabilities, including borrowings are initially measured at fair value, net of transaction costs.

j. Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting period, in which case they are presented as non-current liabilities.

Borrowings are initially recorded at fair value, net of transaction costs and subsequently carried for at amortised costs using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the year of the borrowings using the effective interest method. Borrowings which are due to be settled within twelve months after the reporting period are included in current borrowings in the statement of financial position even though the original term was for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the financial statements are authorised for issue.

k. Revenue Recognition

Performance obligations and service recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over of goods or services to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Type of product/ service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition under IFRS 15
Sale of goods	Customers obtain control of the goods when the goods have been delivered to them and have been accepted at their premises or the agreed point of delivery. Invoices are generated at that point in time net of rebates and discounts. Invoices are generally payable within 30 days. No settlement discounts are provided for. The sale of the goods are not subject to a return policy.	Revenue is recognised when the goods are delivered and have been accepted by the customers at their premises or the agreed point of delivery.
Interest revenue	Interest income is recognised in the income statement for all interest-bearing instruments (whether classified as held-to-maturity, FVTOCI, FVTPL, derivatives or other assets) on an accrual basis using the effective interest method based on the actual purchase price including direct transaction costs.	Once a financial asset has been written down to its estimated recoverable amount, interest income is thereafter recognised based on the effective interest rate that was used to discount the future cash flows for the purpose of measuring the recoverable amount.

I. Cost of Sales

Cost of sales consists of all costs of purchase and other directly incurred costs.

Cost of purchase comprises the purchase price, import duties and other taxes (other than those subsequently recoverable by the Group from the taxing authorities), if any, and transport, handling and other costs directly attributable to the acquisition of goods. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. Cost of conversion primarily consists of hiring charges of subcontractors incurred during conversion.

m. Finance Income and Finance Costs

The Group's finance income and finance costs include:

- Interest income;
- Interest expense;
- Dividend income;

Interest income and expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

The "effective interest rate" is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset, if the asset is no-longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

n. Taxation

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

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

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year 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 measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

o. Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

p. Provisions and Contingencies

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the statement of financial position date and are discounted to present value where the effect is material. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

When the effect of discounting is material, the amount recognised for a provision is the present value at the reporting date of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of comprehensive income.

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

q. Share Capital

Ordinary shares are classified as equity. Proceeds from issuance of ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against share capital and share premium.

r. Foreign Currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (*foreign currencies*) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical costs in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on translation of monetary items, are recognised in profit or loss in the year in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains, and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, assets and liabilities of the Group's foreign operations are translated from South African Rand into the presentation currency of the Group of Pound Sterling at the rate of exchange prevailing at the end of the reporting year, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during that year, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity.

The principal exchange rates during the year are set out in the table below:

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Rate compared to £	Year End Rate 2021	Year End Rate 2020
South African Rand	20.83	21.02
US Dollar	1.37	1.31

s. Employee Benefits

Salaries, annual bonuses, paid annual leave and the cost to the Group of non-monetary benefits are accrued in the year in which employees of the Group render the associated services. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

t. Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive Director who makes strategic decisions.

3. Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the application of the Group's accounting policies, which are described above, management is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions that had a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below.

a. COVID-19 Pandemic and "lockdowns"

With the declaration that COVID-19 was a pandemic on 13 March 2020 and the South African "lockdown" being announced on 23 March 2020 falling before 31 October 2021, the Directors have adopted that the COVID-19 pandemic as a current period event for both the current and prior financial years. As a result the Directors have considered the impact of the COVID-19 pandemic on all areas of Judgment that impact the current accounting period including all the areas of Judgment included in note 3. Where appropriate to do so the Directors have made adjustments to estimates as a result of COVID-19 as a current period adjusting event and considered this in all areas requiring review of impairment including property, plant and equipment, intangible assets, trade receivables and inventory carrying values. The impact of the pandemic has also been considered in the preparation of the forecast for the review of the going concern assumptions.

b. Inventory Valuation

Inventory is valued at the lower of cost and net realisable value. Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market conditions and the historical experience of selling products of a similar nature. It could change significantly as a result of competitors' actions in response to severe industry cycles. The Group reviews its inventories in order to identify slow-moving merchandise and uses markdowns to clear merchandise. Inventory value is reduced when the decision to markdown below cost is made.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

c. Impairment of long term Inter-company Receivables

The Group's management reviews long-term inter-company receivables on a regular basis to determine if any provision for impairment is necessary. The policy for the impairment of long-term inter-company receivables of the Group is based on, where appropriate, the evaluation of collectability, the trading performance of the relevant subsidiary and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these outstanding amounts, including the current and estimated future trading performance of the relevant subsidiary. If the financial conditions of inter-company debtors of the Group were to deteriorate, resulting in an impairment of their ability to make payments, a provision for impairment may be required.

d. Impairment of Receivables

The Group's management reviews receivables on a regular basis to determine if any provision for impairment is necessary. The policy for the impairment of receivables of the Group is based on, where appropriate, the evaluation of collectability and ageing analysis of the receivables and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these outstanding amounts, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of debtors of the Group were to deteriorate, resulting in an impairment of their ability to make payments, provision for impairment may be required.

e Incremental borrowing cost of Right of Use Assets and Lease Liabilities

In assessing the Group's right of use assets and lease liabilities, the Group has to assess its incremental borrowing costs. As an approximation of the Group's incremental long term borrowing costs, the Group estimated the borrowing costs associated with similar long term, asset based financing arrangements. The Group based the implied incremental borrowing costs on the South African prime lending rate applicable at the date of commencement of the agreement and added an appropriate lending premium that would be typically applied by lenders. At the year end the estimated incremental borrowing costs used amounted to 8.5% (2020: 8.5%).

f. Income Taxes

The Group is subject to income taxes in South Africa and the UK. The South African income taxes are administered by South African accountants. Significant judgement is required in determining the provision for income taxes and the timing of payment of the related tax. There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax provision in the year in which such determination is made.

g. Share Based Payments

The fair value of share-based payments recognised in the income statement is measured by use of the Black Scholes model, which considers conditions attached to the vesting and exercise of the equity instruments. The expected life used in the model is adjusted; based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share price volatility percentage factor used in the calculation is based on management's best estimate of future share price behaviour based on past experience, future expectations and benchmarked against peer companies in the industry.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

h. Equity portion of Convertible Loan Notes

The Group provides for the equity portion of convertible loan notes by applying an estimated interest rate in determining the present values of the convertible loan notes and the interest payable thereon over the life of the convertible loan notes.

i. Depreciation and Amortisation

The Group depreciates property, plant and equipment and amortises the leasehold buildings and land use rights on a straight-line method over the estimated useful lives. The estimated useful lives reflect the Directors' estimate of the years that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment.

4. Segmental Reporting

In the opinion of the Directors, the Group has one class of business, being the trading of agricultural materials. The Group's primary reporting format is determined by the geographical segment according to the location of its establishments. There is currently only one geographic reporting segment, which is South Africa. All revenues and costs are derived from the single segment.

5. Revenue

	Group For the year ending 31 October 2021 £	Group For the year ending 31 October 2020 £	Company For the year ending 31 October 2021 £	Company For the year ending 31 October 2020 £
Major product/service lines				
Sale of agricultural materials	1,404,234	1,773,710	-	-
Primary geographic markets				
South Africa	1,404,234	1,773,710	-	-
Timing of revenue recognition				
Products transferred at a point in time	1,404,234	1,773,710	-	-

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

6. Other Income

	Group For the year ending 31 October 2021 £	Group For the year ending 31 October 2020 £	Company For the year ending 31 October 2021 £	Company For the year ending 31 October 2020 £
Settlement discounts received	-	3,000	-	3,000
	-	3,000	-	3,000

7. Personnel Expenses and Staff Numbers (Including Directors)

Number	Group For the year ending 31 October 2021	Group For the year ending 31 October 2020	Company For the year ending 31 October 2021	Company For the year ending 31 October 2020
The average number of employees in the year were:				
Directors	4	4	4	4
Management	2	2	-	-
Accounts and Administration	2	2	-	-
Sales	3	3	-	-
Manufacturing/Warehouse	13	13	-	-
Total	24	24	4	4
	£	£	£	£
The aggregate payroll costs for these persons were:				
	278,499	285,288	68,681	49,896
Average ratio of executive pay verses average employee pay				
	1.01	1.06		
Average Directors	11,742	12,474		
Average of all employees	11,604	11,887		
Average of non-director employees	11,577	11,770		

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

8. Directors' Remuneration

	Group For the year ending 31 October 2021 £	Group For the year ending 31 October 2020 £	Company For the year ending 31 October 2021 £	Company For the year ending 31 October 2020 £
Salaries and Fees				
David Lenigas	9,000	12,000	9,000	12,000
Robert Scott	12,000	12,000	12,000	12,000
Andrew Monk *	13,966	13,896	13,966	13,896
Matt Bonner	12,000	12,000	12,000	12,000
	46,966	49,896	46,966	49,896

* Included in Andrew Monk's remuneration is £1,966 for National Insurance.

No pension contributions were made by the Company on behalf of its directors other than for Andrew Monk.

At the year-end a total of £70,232 (2020: £194,266) was outstanding in respect of directors' emoluments.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

9. Expenses - Analysis by Nature

	Group For the year ending 31 October 2021 £	Group For the year ending 31 October 2020 £	Company For the year ending 31 October 2021 £	Company For the year ending 31 October 2020 £
Auditor's remuneration for audit services:				
Parent	27,256	27,070	27,256	27,070
Auditor's remuneration for audit related services	1,500	1,500	1,500	1,500
Auditor's remuneration for audit services:				
Subsidiary	3,536	3,065	-	-
Brokership fees	39,724	66,494	39,724	66,494
Legal and professional fees	36,089	320,999	34,261	318,938
Registrar fees	5,138	1,783	5,138	1,783
Depreciation on property, plant and equipment (Note 17)	10,590	16,893	-	-
Depreciation on IFRS 16 Right of Use Asset (Note 28)	67,519	21,549	-	-
(Gain) /loss on exchange	145,055	123,962	50,725	17,320
Personnel expenses (Note 7)	278,499	285,288	68,681	49,896
Other administrative expenses	280,558	270,616	118,450	41,164
Subtotal	895,464	1,139,219	345,735	524,165
Admission and regulatory expenses	-	140,151	-	140,151
Total administrative expenses	895,464	1,279,370	345,735	664,316

10. Impairments

	Group Year ended 31 October 2021 £	Group Year ended 31 October 2020 £	Company Year ended 31 October 2021 £	Company Year ended 31 October 2020 £
Impairment of goodwill	-	226,644	-	-
Impairment of investment in subsidiary	-	-	-	226,644
Impairment of inter-company loans receivable	-	-	161,091	884,651
	-	226,644	161,091	1,111,295

During the financial year, the recoverability of the investment was evaluated and in management's estimation, it was considered necessary to impair the goodwill on consolidation, the investment in the subsidiary and the intercompany loans receivable.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

11. Finance Costs

	Group For the year ending 31 October 2021 £	Group For the year ending 31 October 2020 £	Company For the year ending 31 October 2021 £	Company For the year ending 31 October 2020 £
Interest paid on borrowings	93,378	55,309	-	-
Interest accrued on Convertible Loan Notes	99,785	30,082	99,785	30,082
Lease Liability	31,468	11,552	-	-
	<u>224,631</u>	<u>96,943</u>	<u>99,785</u>	<u>30,082</u>

Finance costs represent interest and charges in respect of the discounting of invoices, the interest accrual for the Convertible Loan Notes issued and the interest charged on capitalised right-of use lease liability.

12. Finance Income

	Group For the year ending 31 October 2021 £	Group For the year ending 31 October 2020 £	Company For the year ending 31 October 2021 £	Company For the year ending 31 October 2020 £
Interest earned on loan receivable	149,359	140,471	149,359	140,471
Interest earned on intercompany loan receivable	-	-	9,209	42,214
Interest earned on favourable bank balances	6,299	492	-	-
	<u>155,658</u>	<u>140,963</u>	<u>158,568</u>	<u>182,685</u>

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

13. Taxation

The charge for the year can be reconciled to the profit before taxation per the consolidated statement of comprehensive income as follows:

	Group For the year ending 31 October 2021 £	Group For the year ending 31 October 2020 £	Company For the year ending 31 October 2021 £	Company For the year ending 31 October 2020 £
Tax Charge	-	-	-	-
Factors affecting the tax charge				
Loss on ordinary activities before taxation	(584,633)	(1,035,485)	(389,553)	(1,620,008)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2019: 19.00%)	(111,080)	(196,742)	(74,015)	(307,802)
Tax effect of expenses not deductible for tax	1,934	-	-	-
Overseas tax rate differences from the UK rate (26%)	16,296	42,927	-	-
Tax effect of utilisation of tax losses	92,850	153,815	74,015	307,802
Tax Charge	-	-	-	-

The Company has excess management expenses of £1,043,509 (2020: £868,259) available for carry forward against future trading profits. The deferred tax asset in these tax losses at 19.0% of £193,369 (2020: 19.0% of £164,969) has not been recognised due to the uncertainty of recovery.

14. Loss Per Share

Loss per share data is based on the Group result for the year and the weighted average number of shares in issue. Basic loss per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of ordinary shares in issue during the year:

	Year ended 31 October 2021 £	Year ended 31 October 2020 £
Loss after tax	(584,633)	(1,035,485)
Weighted average number of ordinary shares in issue	21,966,087	20,074,325
Basic and diluted loss per share (pence)	(2.66p)	(5.16p)

Basic and diluted loss per share are the same, since where a loss is incurred the effect of outstanding share options and warrants is considered anti-dilutive and is ignored for the purpose of the loss per share calculation. As at 31 October 2021 there were 21,966,087 (2020: 21,966,087) shares in issue, 26,148,289 (2020: 12,421,622) outstanding share warrants and 897,809 (2020: 897,809) outstanding options, both are potentially dilutive.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

15. Investments

	Group As at 31 October 2021 £	Group As at 31 October 2020 £	Company As at 31 October 2021 £	Company As at 31 October 2020 £
Investment in Subsidiary				
- Cost of investment	-	-	297,915	297,915
- Impairment of investment	-	-	(297,915)	(226,644)
Carrying value	-	-	-	71,271

14.1. Investment in Associate

	Group As at 31 October 2021 £	Group As at 31 October 2020 £	Company As at 31 October 2021 £	Company As at 31 October 2020 £
Investment in Dynamic Intertrade Agri (Pty) Ltd (held for sale)	6,154	6,154	6,154	6,154
Equity accounted profit for the period	-	-	-	-
Impairment of investment	-	-	-	-
Carrying value	6,154	6,154	6,154	6,154

Management have committed to selling its investment in the associate, Dynamic Intertrade Agri (Pty) Ltd. The asset is available for immediate sale to a willing buyer. A buyer for the asset has been identified and a preliminary price of £6,154 has been discussed. It was anticipated that the sale will be concluded within the last financial year ending 31 October 2021, however COVID-19 delayed the process. The investment is still being held for sale to the existing buyer. Accordingly, for the current year the investment is reflected under current assets as held for sale. As part of the process of selling the group's investment in the associate a fair value exercise was undertaken. Management considered the financial performance of the company, the price that a willing buyer was prepared to pay for the investment as well as the prevailing market conditions. Based on the above, the directors are of the opinion that the fair value of the company is £6,154.

As at 31 October 2021, the Company directly and indirectly held the following subsidiary and associate:

Name of company	Principal activities	Country of incorporation and place of business	Proportion (%) of equity interest 2021	Proportion (%) of equity interest 2020
Dynamic Intertrade (Pty) Limited	Trading in Agricultural Products	South Africa	100%	100%
Dynamic Intertrade Agri (Pty) Limited	Agricultural commodity trading and distribution	South Africa	46.8% Designated as Held for Sale	46.8% Designated as Held for Sale

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

16. Long Term Intercompany Loans

	Group Year ended 31 October 2021 £	Group Year ended 31 October 2020 £	Company Year ended 31 October 2021 £	Company Year ended 31 October 2020 £
Loan to Dynamic Intertrade (Pty) Ltd				
- Amount receivable	-	-	1,002,918	884,651
- Impairment of loan	-	-	(1,002,918)	(884,651)
Carrying value	-	-	-	-

The loan is unsecured and bears interest at rates linked to LIBOR +2% p.a. As indicated in Note 10, both the capital and the interest elements of the above loan have been fully impaired during the year ended 31 October 2020. The additional loan provided to the subsidiary was impaired during the current year.

17. Property, Plant and Equipment

Group	Leasehold Improve- ments £	Furniture, fixtures and equipment £	Plant and machinery £	Total £
Cost				
As at 31 October 2020	19,571	4,317	268,512	292,400
Additions	-	-	8,767	8,767
Disposals	-	-	(298)	(298)
Exchange difference	175	39	2,401	2,615
As at 31 October 2021	19,746	4,356	279,382	303,484
Accumulated depreciation				
As at 31 October 2020	19,085	3,674	254,343	277,102
Charge for the year	477	363	9,750	10,590
Released on disposal	-	-	(159)	(159)
Exchange difference	158	23	2,001	2,182
As at 31 October 2021	19,720	4,060	265,935	289,715
Net Book Value				
As at 31 October 2020	486	643	14,169	15,298
As at 31 October 2021	26	296	13,447	13,769

The holding company held no tangible fixed assets at 31 October 2021 and 2020.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

18. Loan Receivable

	Group Year ended 31 October 2021 £	Group Year ended 31 October 2020 £	Company Year ended 31 October 2021 £	Company Year ended 31 October 2020 £
Loan to Touchwood Investments Ltd	-	994,729	-	994,729
Carrying value	-	994,729	-	994,729

The loan was advanced to Touchwood Investments Ltd, a company that is part of the Comarco Group, which operates a port in Mombasa. This loan bears interest at 12% for the first 9 months, where after the rate increased to 15%. The loan was initially for a period 24 months and was initially repayable in full on 12 November 2020, however due to the COVID-19 pandemic the repayment of the loan has been extended to 30 April 2021, and then once again to 30 September 2021. The loan was repaid in full on 26 October 2021.

19. Inventories

	Group As at 31 October 2021 £	Group As at 31 October 2020 £	Company As at 31 October 2021 £	Company As at 31 October 2020 £
Raw materials	40,116	171,943	-	-
Finished goods	2,566	9,765	-	-
Carrying value	42,682	181,708	-	-

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

20. Trade and other receivables

	Group As at 31 October 2021 £	Group As at 31 October 2020 £	Company As at 31 October 2021 £	Company As at 31 October 2020 £
Financial instruments				
Trade receivables	257,332	272,130	-	-
Deposits	2,028	5,963	-	-
Other receivables	28,737	12,163	28,737	12,163
Non-financial instruments				
Prepayments	9,703	1,683	-	-
Carrying value	297,800	291,939	28,737	12,163
Current	297,800	291,939	28,737	12,163
Non-Current	-	-	-	-
	297,800	291,939	28,737	12,163

The receivables are considered to be held within a held-to-collect business model consistent with the Group's continuing recognition of the receivables.

As at 31 October 2021 the Group does not have any contract assets nor any contract liabilities arising out of contracts with customers relating to the Group's right to receive consideration for agricultural products sold but not billed. Group Trade receivables represent amounts receivable on the sale of agricultural products and are included after provisions for doubtful debts.

Credit and market risks, and impairment losses

The Group did not impair any of its trade receivables as at 31 October 2021, as all trade receivables generated during the financial year, and outstanding at 31 October 2021 are considered to be recoverable during the ordinary course of business.

Information about the Group's exposure to credit and market risks and impairment losses for trade receivables is included in Note 30.

The Directors consider that the carrying amount of trade receivables and other receivables approximates their fair value.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

21. Cash and Cash Equivalents

	Group As at 31 October 2020 £	Group As at 31 October 2020 £	Company As at 31 October 2020 £	Company As at 31 October 2020 £
Cash on hand	1,109,774	45,251	1,108,476	25,624
	1,109,774	45,251	1,108,476	25,624

22. Trade and Other Payables

	Group As at 31 October 2021 £	Group As at 31 October 2020 £	Company As at 31 October 2021 £	Company As at 31 October 2020 £
Trade Payables	1,274,105	1,500,098	981,000	1,202,316
Other Payables	153,515	53,546	132,694	32,909
Related Party Payables	40,879	39,586	-	-
	1,468,499	1,593,230	1,113,694	1,235,225

Trade payables represent amounts due for the purchase of agriculture materials and administrative expenses. The Directors consider that the carrying amount of trade payables approximates to their fair value.

Included in Other payables is a loan from G Roach: The loan bears interest at the South African prime overdraft rate. The interest will be calculated and paid when the loan is repaid. The loan is repayable as decided upon from time to time.

The related party financial liabilities comprise:

	Group As at 31 October 2021 £	Group As at 31 October 2020 £	Company As at 31 October 2021 £	Company As at 31 October 2020 £
M Bonner	24,562	24,052	-	-
R Scott	16,317	15,534	-	-
	40,879	39,586	-	-

Terms:

M Bonner: The loan bears interest at the South African prime overdraft rate. The interest is calculated and paid quarterly. The loan is repayable as decided upon from time to time.

R Scott: The loan bears interest at the South African prime overdraft rate. The interest is calculated and paid quarterly. The loan is repayable as decided upon from time to time.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

23. Share Capital and Share Premium

Allotted, called up and fully paid share capital and share premium	Number of shares	Nominal Value £	Share Premium £	Total £
Balance at 31 October 2019	19,399,198	387,984	2,519,909	2,907,893
Share issue - 27 July 2020	2,566,889	51,338	51,338	102,676
Balance at 31 October 2020	21,966,087	439,322	2,571,247	3,010,569
Share issue	-	-	-	-
Balance at 31 October 2021	21,966,087	439,322	2,571,247	3,010,569

Share capital is the amount subscribed for shares at nominal value.

During the 2019 financial year the company consolidated all existing and issued shares and share options on the basis of 20 existing shares/options for 1 new share/option.

Retained losses represent the cumulative loss of the Group attributable to equity shareholders.

Share-based payments reserve relate to the charge for share-based payments in accordance with IFRS 2.

During the prior year the company placed these shares and as the number of placing shares comprised more than 10% of the companies issued share capital, and although the placing shares has been allotted, admission of the placing shares required publication of a Prospectus within a twelve-month period.

24. Share Based Payments Reserve

The Company has a share-ownership compensation scheme for senior executives of the Company whereby senior executives may be granted options to purchase Ordinary Shares in the Company.

Warrants

During the 2019 financial year the company consolidated all existing and issued shares and share options on the basis of 20 existing shares/options for 1 new share/option.

There are 26,148,289 warrants to subscribe for ordinary shares at 31 October 2021 (2020: 12,421,622).

Date of Grant	As at 1 November 2020	Exercised / Vested / Issued	As at 31 October 2021	Exercise Price	Exercise/Vesting Date From To
Warrants					
09/05/2012	138,066	-	138,066	20p	09/05/2012 05/09/2022
27/11/2018	8,050,000	-	8,050,000	20p	27/11/2018 30/09/2022
24/07/2020	4,233,556	-	4,233,556	5p	24/07/2020 27/07/2022
23/03/2021	-	13,726,667	13,726,667	5p	23/3/2021 23/03/2023
	12,421,622	13,726,667	26,148,289		

Warrants were attached to the Convertible Loan Notes issued on 23 March 2021, with an exercise price of 5.0p per ordinary share and expire 12 months from allotment of the Subscription Shares. These warrants will only be issued once the convertible loan notes are converted into shares.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Warrants were attached to the Subscription Shares on 24 July 2020 a 1-for-1 basis, with an exercise price of 5.0p per ordinary share and expire 12 months from allotment of the Subscription Shares. Further warrants were attached to any new ordinary shares that are issued as a result of conversion of any Loan Notes, on a 1-for-1 basis on the same terms as the Subscription Warrants.

Warrants were attached to the Subscription Shares on 14 September 2018 a 1-for-1 basis, with an exercise price of 20.0p per ordinary share and expire 12 months from allotment of the Subscription Shares. Further warrants were attached to any new ordinary shares that are issued as a result of conversion of any Loan Notes, on a 1-for-1 basis on the same terms as the Subscription Warrants. A maximum of 20,450,222 new ordinary shares could potentially be issued in the event that all Subscription Warrants and Loan Note warrants are exercised.

Options

At 31 October 2021 there were 897,809 share options issued to the directors and past directors of the Company. During the current year nil share options were granted (2020: Nil). During the financial year the Company consolidated all existing and issued shares and share options on the basis of 20 existing shares/options for 1 new share/option.

The movement on the share-based payment charge for the year was £nil (2020 - £nil) in respect of the issued options. The details of warrants and options are as follows:

Date of Grant	As at 1 November 2020	Exercised / Vested / (Forfeited)	As at 31 October 2021	Exercise Price	Exercise/Vesting Date From To	
Options						
09/05/2012	897,809	-	897,809	20p	09/05/2012	05/09/2022
	897,809	-	897,809			

The remuneration committee's aim is to remunerate executive directors competitively and to reward performance. The remuneration committee determines the company's policy for the remuneration of executive directors, having regard to the UK Corporate Governance Code and its provisions on directors' remuneration.

The number of options outstanding to the Directors that served in the year, as at 31 October 2021 were as follows:

Director	2021 Options	2020 Options
Andrew Monk	191,952	191,952
Robert Scott	50,000	50,000
Matthew Bonner	180,000	180,000
Total	421,952	421,952

The estimated fair value of the options in issue was calculated by applying the Black-Scholes option pricing model.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

The assumptions used in the calculation were as follows:

Share price at date of grant	£0.0050
Exercise price	£0.0075 to £0.01
Expected volatility	65%
Expected dividend	0%
Contractual life	1.1 years
Risk free rate	1.63%
Estimated fair value of each option	£0.003764 – £0.0378

The share options outstanding at the year-end had a weighted average remaining contractual life of 0.5 years (2020: 1.5 years).

25. Equity portion of convertible loan notes

As per note 24, during the 2021 financial year, on the 23rd of March 2021, the company converted £383,000 owed to the directors and a company owned by a director for 7,660,000 convertible loan notes and, simultaneously, issued 4,400,000 convertible loan notes to the value of £220,000 for cash. The equity portion of the convertible loan notes is presented below.

	Year ended 31 October 2021 £	Group Year ended 31 October 2020 £	Year ended 31 October 2021 £	Company Year ended 31 October 2020 £
Equity portion of convertible loan notes issued during the year (per note 26)	74,935	-	74,935	-
Carrying value	74,935	-	74,935	-

26. Convertible loan notes

	Year ended 31 October 2021 £	Group Year ended 31 October 2020 £	Year ended 31 October 2021 £	Company Year ended 31 October 2020 £
Convertible loan notes	778,065	250,000	778,065	250,000
Carrying value	778,065	250,000	778,065	250,000

The Loan Notes holder will be paid an annual interest rate of 12 per cent in cash, semi-annually, with a term of 24 months. The Loan Notes will not be admitted to trading on any exchange.

As per note 24, during the 2021 financial year, on the 23rd of March 2021, the company converted £383,000 owed to the directors and a company owned by a director for 7,660,000 convertible loan notes and, simultaneously, issued 4,400,000 convertible loan notes to the value of £220,000 for cash.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

As per note 24, during the 2020 financial year, as part of the subscription dated 24 July 2020, 3,333,333 additional share warrants were allocated to the capital portion of the convertible loan notes and 750,000 additional share warrants were allocated to the outstanding interest portion of the convertible loan notes, which at the subscription date was £37,500.

The new ordinary shares issued as a result of conversion of all Loan Notes would represent 17,060,000 (2020: 5,000,000) ordinary shares, or 43.71 (2020: 18.54) per cent of the issued share capital of the Company, as enlarged by the 2018 Fundraising. On 14 September 2018 issued £250,000 of convertible loan notes for 50,000,000 loan notes of 0.50p (the "Loan Notes") with a conversion price of 0.75p (the "Conversion Price"). The Subscription Price was at the last closing price of 0.50p per ordinary share as at 13 September 2018. Further, the Conversion Price represents a premium of 50.0 per cent to this same closing price. The Subscription included the issue of 50,000,000 Convertible Loan Notes of 0.50p with a conversion price of 0.75p which after the 20:1 share consolidation of 2018 resulted in there being 2,500,000 Convertible Loan Notes of 10.0p with a conversion price of 15.0p.

If the Convertible Loan Notes were converted, up to 17,810,000 (2020: 5,750,000) new Ordinary Shares will be issued ("Loan Conversion Shares"). Further, Warrants will be attached to any Loan Conversion Shares that are issued on a 1-for-1 basis on the same terms as the Warrants attached to the New Ordinary Shares ("Loan Conversion Warrants"). A maximum of 32,510,222 (2020: 20,450,222) New Ordinary Shares could potentially be issued in the event that all New Ordinary Shares Warrants and Loan Conversion Warrants are exercised.

However, under the terms of the Loan Note Instrument, the maximum number of Loan Notes that can be converted into ordinary shares at any one time will be restricted such that Mike Joseph's total voting rights cannot exceed 29.9 per cent. of the shares in issue of the Company.

The fair value of the liability component, included in non-current liabilities, is calculated using a market interest rate for an equivalent non-convertible loan note at the date of issue. The residual amount, representing the value of the equity conversion component, is included in shareholder's equity in Equity portion of convertible loan notes (Note 25).

The carrying amount of the liability component of the convertible loan notes at the balance sheet date are derived as follows:

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

	Year ended 31 October 2021 £	Group Year ended 31 October 2020 £	Year ended 31 October 2021 £	Company Year ended 31 October 2020 £
Liability component at the beginning of the financial year	282,909	255,819	250,000	255,819
Face value of the convertible loan notes issued on 23 March 2021	603,000	-	603,000	-
Equity conversion component	(74,935)	-	(74,935)	-
Liability component on initial recognition	810,974	255,819	778,065	255,819
Accumulated amortisation of interest expense	99,785	30,082	99,785	30,082
Accumulated payments of interest	-	(2,992)	-	(2,992)
Liability component at the end of the financial year	910,759	282,909	877,850	282,909
Current portion included in current liabilities	132,694	32,909	132,694	32,909
Long term portion included in long term liabilities	778,065	250,000	778,065	250,000
Liability component at the end of the financial year	910,759	282,909	910,759	282,909

27. Borrowings

	Group Year ended 31 October 2021 £	Group Year ended 31 October 2020 £	Company Year ended 31 October 2021 £	Company Year ended 31 October 2020 £
Euro 2 Afrisko Ltd				
- Inventory Financing	401,696	256,400	-	-
Onga Wari CRS (PTY) LTD				
- Inventory Financing	16,560	52,808	-	-
Working Capital Partners				
- Accounts receivable financing	47,808	119,511	-	-
Carrying value	466,064	428,719	-	-

The Group's wholly owned subsidiary Dynamic Intertrade has entered into a funding agreements with Euro 2 Afrisko Ltd and Onga Wari CRS (Pty) Ltd whereby Euro 2 Afrisko pay the suppliers directly and this is then repaid by Dynamic Intertrade to purchase stock from suppliers where deposits are required.

The borrowings are secured by a Security Agreement from the Company. The loans bear interest at 14% per annum.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

28. Leases

Right of use assets and lease liability

	Group Year ended 31 October 2021 £	Group Year ended 31 October 2020 £	Company Year ended 31 October 2021 £	Company Year ended 31 October 2020 £
Operating lease commitments disclosed as at 31 October	410,502	-	-	-
Discounted using the incremental borrowing rate at date of initial application	-	-	-	-
Additions to leases during the year	-	430,973	-	-
Lease payments	(67,072)	(20,471)	-	-
Exchange difference	3,672			
Lease liability recognised in the statement of financial position	347,102	410,502	-	-
Of which:				
Current lease liabilities	77,887	66,477	-	-
Non-current lease liabilities	269,215	344,025	-	-
	347,102	410,502	-	-

Right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 October 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application. The recognised right of-use assets relate to the following types of assets:

	Group Year ended 31 October 2021 £	Group Year ended 31 October 2020 £	Company Year ended 31 October 2021 £	Company Year ended 31 October 2020 £
Properties	341,905	409,424	-	-

On the 3rd of March 2020 a new lease was signed for the Group's main trading address, 104 Bofors Circle, Epping Industrial 2, Cape Town, South Africa with commencement date of 1 July 2020. On the commencement date, the Group recognised a lease liability and right-of-use asset of £430,973.

Impact on earnings per share

Depreciation on the right-of-use asset amounting to £67,519 (2020: £21,549) and interest on the right-of-use lease liability of £31,468 (2020: £11,552) were charged to the statement of profit and loss for the current year. As a result, the earnings per share decreased by 0.005p.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

29. Notes to the Statement of Cash Flows

	Group For the year ending 31 October 2021 £	Group For the year ending 31 October 2020 £	Company For the year ending 31 October 2021 £	Company For the year ending 31 October 2020 £
Cash and cash equivalents	1,109,774	45,251	1,108,476	25,624
Borrowings	(466,064)	(428,719)	-	-
Convertible loan notes	(778,065)	(250,000)	(778,065)	(250,000)
Right of use lease liability	(347,102)	(410,502)	-	-
Net Debt	(481,457)	(1,043,970)	330,411	(224,376)
Cash and liquid investments	1,109,774	45,251	1,108,476	25,624
Fixed rate instruments	(1,591,231)	(1,089,221)	(778,065)	(250,000)
Net Debt	(481,457)	(1,043,970)	330,411	(224,376)

Net Debt Reconciliation for the Group

	Cash and cash equivalents £	Borrowings £	Convertible loan notes £	Right of use lease liability £	Total debt £	Net debt £
Net debt as at 31 October 2019	5,218	(363,091)	(250,000)	-	(613,091)	(607,873)
Cash flows	40,093	(38,687)	-	20,471	(18,216)	21,877
New lease agreements	-	-	-	(430,973)	(430,973)	(430,973)
Foreign exchange adjustments	(60)	(26,941)	-	-	(26,941)	(27,001)
Net debt as at 31 October 2020	45,251	(428,719)	(250,000)	(410,502)	(1,089,221)	(1,043,970)
Cash flows	1,064,699	(32,973)	(220,000)	67,071	(185,902)	878,797
Non-cash transactions			(383,000)		(383,000)	(383,000)
Equity Portion of Convertible Loan Notes			74,935		74,935	74,935
Foreign exchange adjustments	(176)	(4,372)	-	(3,671)	(8,043)	(8,219)
Net debt as at 31 October 2021	1,109,774	(466,064)	(778,065)	(347,102)	(1,591,231)	(481,457)

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Net Debt Reconciliation for the Company

	Cash and cash equivalents £	Borrowings £	Convertible loan notes £	Right of use lease liability £	Total debt £	Net debt £
Net debt as at 31 October 2019	4,383	(10,000)	(250,000)	-	(260,000)	(255,617)
Cash flows	21,241	10,000	-	-	10,000	31,241
New lease agreements	-	-	-	-	-	-
Foreign exchange adjustments	-	-	-	-	-	-
Net debt as at 31 October 2020	25,624	-	(250,000)	-	(250,000)	(224,376)
Cash flows	1,082,852	-	(220,000)	-	(220,000)	862,852
Non-cash transactions	-	-	(383,000)	-	(383,000)	(383,000)
Equity Portion of Convertible Loan Notes	-	-	74,935	-	74,935	74,935
Foreign exchange adjustments	-	-	-	-	-	-
Net debt as at 31 October 2021	1,108,476	-	(778,065)	-	(778,065)	330,411

30. Financial Instruments – Fair values and risk management

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Trade and other receivables and trade and other payables classified as held-for-sale are not included in the table below. As at 31 October 2021 the Group did not have any trade and other receivables nor any trade and other payables that were classified as held-for-sale.

The Group has not disclosed the fair values of financial instruments such as short-term trade receivables and payables, because their carrying amounts are a reasonable approximation of their fair value.

Notes to the Group Annual Financial Statements (continued)
For the Year Ended 31 October 2021

Group as at 31 October 2021	Note	Carrying value				Fair value			
		FVOCI - equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		£	£	£	£	£	£	£	£
Financial assets measured at fair value									
Investment in associate		6,154	-	-	6,154	-	-	6,154	6,154
Loan receivable		-	-	-	-	-	-	-	-
		6,154	-	-	6,154				
Financial assets not measured at fair value									
Trade and other receivables		-	259,360	-	259,360				
Cash and cash equivalents		-	1,109,774	-	1,109,774				
		-	1,369,134	-	1,369,134				
Financial liabilities measured at fair value									
		-	-	-	-				
		-	-	-	-				
Financial liabilities not measured at fair value									
Lease Liability		-	-	(347,102)	(347,102)				
Unsecured borrowings		-	-	(466,064)	(466,064)				
Convertible loan notes		-	-	(778,065)	(778,065)				
Trade and other payables		-	-	(1,468,499)	(1,468,499)				
		-	-	(3,059,730)	(3,059,730)				

Notes to the Group Annual Financial Statements (continued)
For the Year Ended 31 October 2021

Group as at 31 October 2020	Note	Carrying value				Fair value			
		FVOCI - equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		£	£	£	£	£	£	£	£
Financial assets measured at fair value									
Investment in associate		6,154	-	-	6,154	-	-	6,154	6,154
Loan receivable		994,729	-	-	994,729	-	-	994,729	994,729
		1,000,883	-	-	1,000,883				
Financial assets not measured at fair value									
Trade and other receivables		-	290,256	-	290,256				
Cash and cash equivalents		-	45,251	-	45,251				
		-	335,507	-	335,507				
Financial liabilities measured at fair value									
		-	-	-	-				
		-	-	-	-				
Financial liabilities not measured at fair value									
Lease Liability		-	-	(410,502)	(410,502)				
Unsecured borrowings		-	-	(428,719)	(428,719)				
Convertible loan notes		-	-	(250,000)	(250,000)				
Trade and other payables		-	-	(1,593,230)	(1,593,230)				
		-	-	(2,682,451)	(2,682,451)				

Notes to the Group Annual Financial Statements (continued)
For the Year Ended 31 October 2021

Company as at 31 October 2021	Note	Carrying value				Fair value			
		FVOCI - equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		£	£	£	£	£	£	£	£
Financial assets measured at fair value									
Investment in associate		6,154	-	-	6,154	-	-	6,154	6,154
Loan receivable		-	-	-	-	-	-	-	-
		6,154	-	-	6,154				
Financial assets not measured at fair value									
Intercompany loans receivable		-	-	-	-				
Trade and other receivables		-	-	-	-				
Cash and cash equivalents		-	1,108,476	-	1,108,476				
		-	1,108,476	-	1,108,476				
Financial liabilities measured at fair value									
		-	-	-	-				
		-	-	-	-				
Financial liabilities not measured at fair value									
Lease Liability		-	-	-	-				
Unsecured borrowings		-	-	-	-				
Convertible loan notes		-	-	(778,065)	(778,065)				
Trade and other payables		-	-	(1,113,694)	(1,113,694)				
		-	-	(1,891,759)	(1,891,759)				

Notes to the Group Annual Financial Statements (continued)
For the Year Ended 31 October 2021

Company as at 31 October 2020	Note	Carrying value				Fair value			
		FVOCI - equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		£	£	£	£	£	£	£	£
Financial assets measured at fair value									
Investment in associate		6,154	-	-	6,154	-	-	6,154	6,154
Loan receivable		994,729	-	-	994,729	-	-	994,729	994,729
		1,000,883	-	-	1,000,883				
Financial assets not measured at fair value									
Intercompany loans receivable		-	-	-	-				
Trade and other receivables		-	12,163	-	12,163				
Cash and cash equivalents		-	25,624	-	25,624				
		-	37,787	-	37,787				
Financial liabilities measured at fair value									
		-	-	-	-				
		-	-	-	-				
Financial liabilities not measured at fair value									
Lease Liability		-	-	-	-				
Unsecured borrowings		-	-	-	-				
Convertible loan notes		-	-	250,000	250,000				
Trade and other payables		-	-	1,235,225	1,235,225				
		-	-	1,485,225	1,485,225				

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Financial instruments – Fair values and risk management

B. Measurement of fair values

i. Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in Note 3.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in Associate	The value of the investment is adjusted annually based upon the group's share of the associates profit or loss.	None	None

ii. Transfers between Levels 1 and 2

There were no transfers between Levels 1 and 2 in either the current financial year or in the prior financial year.

C. Financial Risk Management

The Group has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's audit committee undertake ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investments in debt securities.

The carrying amounts of financial assets represent the maximum credit exposure. There was no impairment loss in the current year nor in the prior year.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which its customers operate. Details of concentration of revenue are included in Note 6.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sales limits are established for each customer and are reviewed regularly.

The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one month.

The Group does not require collateral in respect of trade and other receivables. The Group does not have trade receivables for which a no allowance is recognised because of collateral.

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
As at 31 October the exposure to credit risk for trade receivables by geographic region was follows:				
South Africa	257,332	272,130	-	-
Other	-	-	-	-
	<u>257,332</u>	<u>272,130</u>	<u>-</u>	<u>-</u>
As at 31 October the exposure to credit risk for trade receivables by counterparty was follows:				
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
As at 31 October the exposure to credit risk for trade receivables by credit rating was follows:				
External credit ratings	-	-	-	-
Other	257,332	272,130	-	-
	<u>257,332</u>	<u>272,130</u>	<u>-</u>	<u>-</u>

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Expected credit loss assessment for corporate customers as at 31 October 2020 and 31 October 2021

The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default.

The company had no exposure to credit risk for the year ended 31 October 2021.

Movements in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables during the year amounted to nil.

Cash and cash equivalents

As at 31 October 2021, the Group held £1,109,774 in cash and cash equivalents (2020: £45,251) and had a bank overdraft of £nil. The cash and cash equivalents are held with bank and financial institution counterparties which are rated Baa3 to A1+ by Moody's.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. On the implementation of IFRS 9 the Group did not impair any of its cash and cash equivalents.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to liquidity risk

The following tables present the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Group as at 31 October 2021	Contractual cash flows						
	Carrying value	Total	2 Months or less	2 to 12 Months	1 to 2 Years	2 to 5 Years	More than 5 years
	£	£	£	£	£	£	£
Non- derivative financial liabilities							
Bank overdrafts	-	-	-	-	-	-	-
Unsecured shareholders' loans	-	-	-	-	-	-	-
Convertible loan notes	(778,065)	(778,065)	-	-	(778,065)	-	-
Secured loans	-	-	-	-	-	-	-
Right-of-Use Finance Lease	(347,102)	(347,102)	(12,268)	(65,619)	(89,877)	(179,338)	-
Trade Payables	(1,274,105)	(1,274,105)	(1,274,105)	-	-	-	-
Other Payables	(153,515)	(153,515)	-	(153,515)	-	-	-
Related Party Payables	(40,879)	(40,879)	-	(40,879)	-	-	-
	(2,593,666)	(2,593,666)	(1,286,373)	(260,013)	(867,942)	(179,338)	-

Derivative financial liabilities	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

Group as at 31 October 2020	Contractual cash flows						
	Carrying value	Total	2 Months or less	2 to 12 Months	1 to 2 Years	2 to 5 Years	More than 5 years
	£	£	£	£	£	£	£
Non- derivative financial liabilities							
Bank overdrafts	-	-	-	-	-	-	-
Unsecured shareholders' loans	-	-	-	-	-	-	-
Convertible loan notes	(250,000)	(250,000)	-	-	(250,000)	-	-
Secured loans	-	-	-	-	-	-	-
Right-of-Use Finance Lease	(410,502)	(410,502)	(10,446)	(56,031)	(77,196)	(266,829)	-
Trade Payables	(1,500,098)	(1,500,098)	(1,500,098)	-	-	-	-
Other Payables	(53,546)	(53,546)	-	(53,546)	-	-	-
Related Party Payables	(39,586)	(39,586)	-	(39,586)	-	-	-
	(2,253,732)	(2,253,732)	(1,510,544)	(149,163)	(327,196)	(266,829)	-

Derivative financial liabilities	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Company as at 31 October 2021	Contractual cash flows						
	Carrying value	Total	2 Months or less	2 to 12 Months	1 to 2 Years	2 to 5 Years	More than 5 years
	£	£	£	£	£	£	£
Non- derivative financial liabilities							
Bank overdrafts	-	-	-	-	-	-	-
Unsecured shareholders' loans	-	-	-	-	-	-	-
Convertible loan notes	(778,065)	(778,065)	-	-	(778,065)	-	-
Secured loans	-	-	-	-	-	-	-
Right-of-Use Finance Lease	-	-	-	-	-	-	-
Trade Payables	(981,000)	(981,000)	(981,000)	-	-	-	-
Other Payables	(132,694)	(132,694)	-	(132,694)	-	-	-
Related Party Payables	-	-	-	-	-	-	-
	(1,891,759)	(1,891,759)	(981,000)	(132,694)	(778,065)	-	-
Derivative financial liabilities	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Company as at 31 October 2020	Contractual cash flows						
	Carrying value	Total	2 Months or less	2 to 12 Months	1 to 2 Years	2 to 5 Years	More than 5 years
	£	£	£	£	£	£	£
Non- derivative financial liabilities							
Bank overdrafts	-	-	-	-	-	-	-
Unsecured shareholders' loans	-	-	-	-	-	-	-
Convertible loan notes	(250,000)	(250,000)	-	-	(250,000)	-	-
Secured loans	-	-	-	-	-	-	-
Right-of-Use Finance Lease	-	-	-	-	-	-	-
Trade Payables	(1,202,316)	(1,202,316)	(1,202,316)	-	-	-	-
Other Payables	(32,909)	(32,909)	-	(32,909)	-	-	-
Related Party Payables	-	-	-	-	-	-	-
	(1,485,225)	(1,485,225)	(1,202,316)	(32,909)	(250,000)	-	-
Derivative financial liabilities	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

The interest payments on the financial liabilities represent the fixed interest rates as per the respective contracts.

The Group aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities other than trade payables. The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

Group Foreign exchange risk	GBP	31 October 2021 USD	ZAR	GBP	31 October 2020 USD	ZAR
Loan receivable	-	-	-	-	1,307,472	-
Trade and other receivables	-	-	5,605,406	12,163	-	5,880,723
Cash and cash equivalents	1,108,476	-	27,042	25,624	-	412,539
Unsecured shareholders' loans	-	-	-	-	-	-
Secured loans	-	-	(9,709,568)	-	-	(6,933,134)
Convertible loan notes	(778,065)	-	-	(250,000)	-	-
Right-of-Use Finance Lease	-	-	(7,231,199)	-	-	(9,058,788)
Trade payables	(1,113,694)	-	(8,771,247)	(1,202,316)	-	(8,771,247)
Net statement of financial position exposure	(783,283)	-	(20,079,566)	(1,414,529)	1,307,472	(18,469,907)
Next 6 months sales forecast	-	-	14,750,700	-	-	24,584,495
Next 6 months purchases forecast	(131,337)	-	(10,763,660)	(85,642)	-	(19,570,291)
Net forecast transaction exposure	(131,337)	-	3,987,040	(85,642)	-	5,014,204
Net exposure	(914,620)	-	(16,092,526)	(1,500,171)	1,307,472	(13,455,703)

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Company Foreign exchange risk	GBP	31 October USD	2021 ZAR	GBP	31 October USD	2020 ZAR
Loan receivable	-	-	-	-	1,307,472	-
Trade and other receivables	-	-	-	12,163	-	-
Cash and cash equivalents	1,108,476	-	-	25,624	-	-
Unsecured shareholders' loans	-	-	-	-	-	-
Secured loans	-	-	-	-	-	-
Convertible loan notes	(778,065)	-	-	(250,000)	-	-
Right-of-Use Finance Lease	-	-	-	-	-	-
Trade payables	(1,113,694)	-	-	(1,202,316)	-	-
Net statement of financial position exposure	(783,283)	-	-	(1,414,529)	1,307,472	-
Next 6 months sales forecast	-	-	-	-	-	-
Next 6 months purchases forecast	(85,642)	-	-	(85,642)	-	-
Net forecast transaction exposure	(85,642)	-	-	(85,642)	-	-
Net exposure	(868,925)	-	-	(1,500,171)	1,307,472	-

The following significant exchange rates in relation to the reporting currency are applicable:

	Average for the year		Year end spot rate	
	2021	2020	2021	2020
United States Dollar (\$)	1.3747	1.2818	1.3683	1.3144
South African Rand (ZAR)	20.2550	20.8703	20.8331	21.0194

The presentation currency of the Group is British Pound Sterling.

The Group is exposed primarily to movements in USD and ZAR, the currency in which the Group receives most of its funding, against other currencies in which the Group incurs liabilities and expenditure.

Sensitivity analysis

Financial instruments affected by foreign currency risk include cash and cash equivalents, trade other receivables and trade and other payables. The following analysis, required by IFRS 7 Financial Instruments: Disclosures, is intended to illustrate the sensitivity of the Group's financial instruments (at year end) to changes in market variables, being exchange rates.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

The following assumptions were made in calculating the sensitivity analysis:

- All income statement sensitivities also impact equity
- Translation of foreign subsidiaries and operations into the Group's presentation currency have been excluded from this sensitivity as they have no monetary effect on the results

Income Statement / Equity

	2021 +10%	2021 -10%	2020 +10%	2020 -10%
Base currency of British pound Sterling:				
- United States Dollar (\$)	0.1368	(0.1368)	0.1314	(0.1314)
- South African Rand (ZAR)	2.0833	(2.0833)	2.1019	(2.1019)

The above sensitivities are calculated with reference to a single moment in time and will change due to a number of factors including:

- Fluctuating other receivable and trade payable balances
- Fluctuating cash balances
- Changes in currency mix

Interest rate risk

The Group has entered into fixed rate agreements for its finance leases and shareholders loans. The Group does not hedge its interest rate exposure by entering into variable interest rate swaps.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as per the table below.

	Group 2021	Group 2020	Company 2021	Company 2020
Fixed rate instruments				
Financial assets	-	994,729	-	994,729
Financial liabilities	(1,513,344)	(1,022,744)	(778,065)	(250,000)

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at FVTPL. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Other market price risk

The Group is exposed to equity price risk, which arises from equity securities at FVOCI are held as a long-term investment.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

The Group's investments in equity securities comprise small shareholdings in unlisted companies. The shares are not readily tradable and any monetisation of the shares is dependent on finding a willing buyer.

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair value of cash and receivables and liabilities approximates the carrying values disclosed in the financial statements.

Capital management

The Group manages its capital resources to ensure that entities in the Group will be able to continue as a going concern, while maximising shareholder return.

The capital structure of the Group consists of equity attributable to shareholders, comprising issued share capital and reserves. The availability of new capital will depend on many factors including a positive operating environment, positive stock market conditions, the Group's track record, and the experience of management. There are no externally imposed capital requirements. The Directors are confident that adequate cash resources exist or will be made available to finance operations but controls over expenditure are carefully managed.

31. Related Party Transactions

Directors' fees

Andrew Monk, a non-executive director of the company, is a director of VSA Capital Limited and that company provided services amounting to £57,384 (2020: £113,575) to the Company during the year.

During the year ended 31 October 2021 £46,966 was paid to Directors of the company (2020: £49,896). At the year-end a total of £62,126 (2020: £194,266) was outstanding in respect of directors' emoluments.

Other related party transactions

Included in trade and other payables are the following related party financial liabilities:

	Group As at 31 October 2021 £	Group As at 31 October 2020 £	Company As at 31 October 2021 £	Company As at 31 October 2020 £
M Bonner	24,562	24,052	-	-
R Scott	16,317	15,534	-	-
	40,879	39,586	-	-

Terms:

M Bonner and R Scott: The loan bears interest at the South African prime overdraft rate. The interest will be calculated and paid when the loan is repaid. The loan is repayable as decided upon from time to time.

Notes to the Group Annual Financial Statements (continued)

For the Year Ended 31 October 2021

Outstanding director's salaries and related party transactions

Included in trade and other payables are the following outstanding directors' salaries and fees payable to related parties for other services:

	Group As at 31 October 2021 £	Group As at 31 October 2020 £	Company As at 31 October 2021 £	Company As at 31 October 2020 £
Company controlled by a director: VSA Capital	227,082	356,934	356,934	356,934
Directors' salaries outstanding				
- A. Monk	37,126	31,266	31,266	31,266
- M. Bonner	12,000	42,000	42,000	42,000
- D. Lenigas	5,000	49,000	49,000	49,000
- R. Scott	8,000	37,000	37,000	37,000
	62,126	159,266	159,266	159,266

32. Controlling Party Note

There is no single controlling party. Significant shareholders are listed in the Directors Report and Business Review.

33. Events Subsequent to 31 October 2021

Subsequent to 31 October 2021, the company entered into settlement agreements with several of its trade creditors for work done on the Comarco transaction. This resulted in settlement discounts totalling £273,677 being realised.