

Report of the Directors and Audited Financial Statements

for the year ended 30 April 2020

for

EQUATOR GOLD LIMITED

EQUATOR GOLD LIMITED
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For the year ended 30 April 2020

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EQUATOR GOLD LIMITED
Company Information
For the year ended 30 April 2020

| | |
|--------------------------|--|
| Directors | Mr M E Parker Dr R P Foster Dr J F A Malaihollo Ms E J Parker |
| Registered Number | 07612443 |
| Registered Office | 18 New Canal Salisbury Wiltshire SP1 2AQ |
| Auditors | Numeric Accounting Chartered Certified Accountants 18 New Canal Salisbury Wiltshire SP1 2AQ |

EQUATOR GOLD LIMITED
Directors' Report
For the year ended 30 April 2020

The directors present their annual report and the audited financial statements for the year ended 30 April 2020

Principal activities

Principal activity of the company during the financial year was of mineral exploration.

Directors

The directors who served the company throughout the year were as follows:

Mr M E Parker

Dr R P Foster

Dr J F A Malaihollo

Ms E J Parker

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

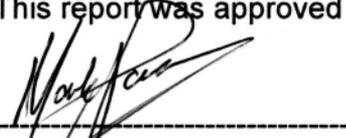
- select suitable accounting policies and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

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

EQUATOR GOLD LIMITED
Directors' Report
For the year ended 30 April 2020

This report was approved by the board and signed on its behalf by:



Mr M E Parker
Director

Date approved: 25 NOV 2020

EQUATOR GOLD LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EQUATOR GOLD LIMITED
For the year ended 30 April 2020

Opinion

We have audited the financial statements of Equator Gold Limited for the year ended 30 April 2020 which comprise Income Statement, Statement of Financial Position and notes to the financial position, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102(1A) The Financial Reporting Standard applicable in the UK and Republic of Ireland Section(1A)(United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2020 and of its Loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

EQUATOR GOLD LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EQUATOR GOLD
LIMITED
For the year ended 30 April 2020

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditors report thereon. The directors are responsible for the other information. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the directors report and from the requirement to prepare a strategic report.

EQUATOR GOLD LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EQUATOR GOLD
LIMITED
For the year ended 30 April 2020

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Use of this report

This report is made solely to the company's members, as a body, in accordance with the Companies Act 2006, Pt. 16, Ch. 3. Our audit work has been undertaken so that we might state to the company's members those matters that 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, or the opinions we have formed.

Mr Jonathan Paul Baggot (Senior Statutory Auditor)
for and on behalf of Numeric Accounting
Chartered Certified Accountants and Statutory Auditors
Numeric Accounting Limited
Chartered Certified Accountants
18 New Canal
Salisbury
Wiltshire
SP1 2AQ
Date:

EQUATOR GOLD LIMITED
Income Statement
For the year ended 30 April 2020

| | Notes | 2020 £ | 2019 £ |
|---|-------|-------------------------|-----------------------|
| Turnover | | 28,918 | 40,345 |
| Gross profit | | <u>28,918</u> | <u>40,345</u> |
| Administrative expenses | | (132,523) | 62,523 |
| Operating Loss | 2 | <u>(103,605)</u> | <u>102,868</u> |
| Profit/(Loss) on ordinary activities before taxation | | <u>(103,605)</u> | <u>102,868</u> |
| Tax on profit on ordinary activities | | - | - |
| Profit/(Loss) for the financial year | | <u><u>(103,605)</u></u> | <u><u>102,868</u></u> |

EQUATOR GOLD LIMITED
Statement of Financial Position
As at 30 April 2020

| | Notes | 2020 £ | 2019 £ |
|--|-------|-------------------------|-------------------------|
| Fixed assets | | | |
| Investments | | - | 1 |
| | | <u>-</u> | <u>1</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 4 | 304,058 | 323,699 |
| Cash at bank and in hand | | 25,384 | 7,355 |
| | | <u>329,442</u> | <u>331,054</u> |
| Creditors: amount falling due within one year | 5 | <u>(632,632)</u> | <u>(530,640)</u> |
| Net current assets | | <u>(303,190)</u> | <u>(199,586)</u> |
| Total assets less current liabilities | | <u>(303,190)</u> | <u>(199,585)</u> |
| Net assets | | <u>(303,190)</u> | <u>(199,585)</u> |
| Capital and reserves | | | |
| Called up share capital | 6 | 2 | 2 |
| Share premium account | 7 | 1,128,171 | 1,128,171 |
| Profit and loss account | 8 | <u>(1,431,363)</u> | <u>(1,327,758)</u> |
| Shareholders funds | | <u>(303,190)</u> | <u>(199,585)</u> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime of Part 15 of the Companies Act 2006.

The financial statements were approved by the board of directors on and were signed on its behalf by:



 Mr M E Parker
 Director

EQUATOR GOLD LIMITED
Statement of Changes in Equity
For the year ended 30 April 2020

| | Equity share capital | Equity share premium | Retained Earnings | Total |
|--|----------------------------|----------------------------|----------------------|------------------|
| | £ | £ | £ | £ |
| At 01 May 2018 | 2 | 1,128,171 | (1,430,626) | (302,453) |
| Profit for the year | | | 102,868 | 102,868 |
| Total comprehensive income for the year | - | - | 102,868 | 102,868 |
| Total investments by and distributions to owners | - | - | - | - |
| At 30 April 2019 | 2 | 1,128,171 | (1,327,758) | (199,585) |
| At 01 May 2019 | 2 | 1,128,171 | (1,327,758) | (199,585) |
| Profit for the year | | | (103,605) | (103,605) |
| Total comprehensive income for the year | - | - | (103,605) | (103,605) |
| Total investments by and distributions to owners | - | - | - | - |
| At 30 April 2020 | 2 | 1,128,171 | (1,431,363) | (303,190) |

EQUATOR GOLD LIMITED
Notes to the Financial Statements
For the year ended 30 April 2020

General Information

Equator Gold Limited is a private company, limited by shares, registered in England and Wales, registration number 07612443, registration address 18 New Canal, Salisbury, Wiltshire, SP1 2AQ.

1. Accounting policies

Significant accounting policies

These financial statements have been prepared under the historical cost convention and in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

Going concern basis

The financial statements have been prepared on a going concern basis. The group meets its day to day working capital requirements through the continued support of the group's directors and shareholders. Major shareholders 'Richmond Partners Master Limited' and others have pledged their continued financial support to cover liabilities of the group as they fall due, and to ensure the company continues as a going concern.

The directors have prepared cash flow and income projections for a period of not less than twelve months from today and on the basis of this information consider that it is appropriate to prepare the financial statements on a going concern basis. Therefore the financial statements do not include any adjustments that would result from a withdrawal of the above support.

Statement of cash flows

The financial statements do not contain a cash flow statement as referred to in Financial Reporting Standard 1 as the company is a small company as defined therein.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

Intangible assets

Intangible assets (including purchased goodwill and patents) are amortised at rates calculated to write off the assets on a straight line basis over their estimated useful economic lives. Impairment of intangible assets is only reviewed where circumstances indicate that the carrying value of an asset may not be fully recoverable.

Fixed asset investments

Fixed asset investments are stated at cost less provision for any permanent diminution in value.

EQUATOR GOLD LIMITED
Notes to the Financial Statements
For the year ended 30 April 2020

2. Operating profit/(loss)

2020 **2019**
£ £

The operating loss is stated after charging:

| | | |
|-----------------------|-------|-------|
| Auditors remuneration | 1,650 | 1,191 |
|-----------------------|-------|-------|

3. Employees and Directors

There were no paid directors or employees during the year.

4. Debtors: amounts falling due within one year

2020 **2019**
£ £

| | | |
|---|-----------------------|-----------------------|
| Amounts Owed by Group Undertakings - Equator Luri Limited | 286,195 | 323,699 |
| Prepayments & Accrued Income | 17,750 | - |
| VAT | 113 | - |
| | <u>304,058</u> | <u>323,699</u> |

5. Creditors: amount falling due within one year

2020 **2019**
£ £

| | | |
|--|-----------------------|-----------------------|
| Amounts Owed to Group Undertakings - Equator Gold Holdings | 608,507 | 498,807 |
| Accrued Expenses | 19,294 | 18,764 |
| Director: Mr M E Parker | 4,831 | 12,500 |
| VAT | - | 569 |
| | <u>632,632</u> | <u>530,640</u> |

6. Share Capital

| | | |
|---|-----------------|-----------------|
| Allotted, called up and fully paid | 2020 | 2019 |
| | £ | £ |
| 200,001 Ordinary shares of £0.00001 each | 2 | 2 |
| | <u>2</u> | <u>2</u> |

EQUATOR GOLD LIMITED
Notes to the Financial Statements
For the year ended 30 April 2020

7. Share premium account

| | 2020 | 2019 |
|----------------------------|-------------------------|-------------------------|
| | £ | £ |
| Equity Share Premium b/fwd | 1,128,171 | 1,128,171 |
| | <u>1,128,171</u> | <u>1,128,171</u> |

8. Profit and loss account

| | 2020 |
|--------------------------|---------------------------|
| | £ |
| Balance at 01 May 2019 | (1,327,758) |
| Loss for the year | <u>(103,605)</u> |
| Balance at 30 April 2020 | <u>(1,431,363)</u> |

9. Impairments of Assets

Inter Company Loan Provision

The inter company loan of £1,398,893 due from Equator Luri Limited has been shown in the accounts at an expected amount recoverable of £286,195 (2019 - loan of £1,312,960 shown at an expected amount recoverable of £323,699).

EQUATOR GOLD LIMITED
Detailed Income Statement
For the year ended 30 April 2020

| | 2020 | 2019 |
|---|----------------------|----------------------|
| | £ | £ |
| Turnover | | |
| Income | 28,918 | 40,345 |
| | <u>28,918</u> | <u>40,345</u> |
| Gross profit | 28,918 | 40,345 |
| Administrative expenses | | |
| Auditors Remuneration | 1,650 | 1,191 |
| Accountancy Fees | 1,550 | 1,512 |
| Legal and Professional Fees (Allowable) | 347 | 140 |
| General Travel Expenses | 1,315 | - |
| Bank Charges | 542 | 505 |
| Telephone, Fax & Internet | 16 | - |
| Sundry Expenses | 849 | 78 |
| Impairment of Inter Company Loans | - | (65,949) |
| Impairment of Inter Company Loans | 126,254 | - |
| | <u>(132,523)</u> | <u>62,523</u> |
| Operating loss | (103,605) | 102,868 |
| Profit/(Loss) on ordinary activities before taxation | (103,605) | 102,868 |
| Profit/(Loss) for the financial year | (103,605) | 102,868 |