INTOSOL Holdings PLC

Registration Number: 10806039

FINANCIAL REPORT

FOR THE YEAR ENDED 31 JANUARY 2021

CORPORATE DIRECTORY

Directors	Hans-Joachim Bischoff Rainer Spekowius Robert Mitchell Marcus Yeoman
Company registration number	10806039
Registered office	c/o Pitmans Law Firm One Bartholomew Close EC1A 7BL London, United Kingdom
Auditor	Elderton Audit UK Level 2, 267 St Georges Terrace, Perth WA 6000 Australia
Domicile of the company	United Kingdom
Country of incorporation	England and Wales
Legal form of entity	Listed Public Limited Company

The Directors present their Strategic Report for the period ended 31 January 2021.

Review of the business

I am pleased to deliver my first Chairman's Statement since we joined the London Stock Exchange in October 2019 to facilitate our expansion plans in building an international travel experience company and increase the Company profile in English-speaking markets.

INTOSOL is an award winning, luxury travel company providing bespoke and unique experiences globally. We are focussed on growing our luxury travel experience and hotel property portfolio with a robust, low-cost and scalable business model.

The tourism industry as a cross-sectional industry will hit the current crisis in 2020/21 with the travel and movement restrictions and the declining or non-existent demand extremely hard. Several lockdowns, temporary relaxations, but always restrictions. There are no segments and no regions in Germany that are not affected. The pandemic will continue to accompany us in 2021 and shape the tourism industry. Experts are far from speaking of normality in the industry and predict a long recovery phase. How great the losses in demand, sales and income will be will only gradually become apparent. Also whether and how travel behavior and vacation plans change. Due to Covid-19, we had many cancellations of customer trips.

In South Africa, we operate two hotels. First, we added SOUL Rainbow's End, a luxury three-bedroom boutique hotel located in Knysna. Under the terms of the two-year management contract, INTOSOL manages and markets the property worldwide with all profit generated subject to a profit share agreement. Secondly, SOUL on the Heads, a luxury six-suite hotel, also located in Knysna, was added to the portfolio under a profit share agreement. These two properties provide additional revenue streams for the Company and enhance our offering of boutique hotels and experiences for our client base. This is in line with our strategy to manage hotels, which have demonstrated positive impact on revenues and margins. Oceans Wilderness is no longer under management of the Company.

Across the Group's offices in Germany, South Africa and the UK, the Company has 31 employees, including 6 travel designers.

FINANCIAL REVIEW & OUTLOOK

In this period, we received 600,993 Euro government funds due to Covid-19, which we don´t need to pay back. Furthermore, the government supported companies with funds for staff, so that the employees could keep their jobs.

Additionally, we got a loan of Volksbank about 500,000 Euro, secured by the government owned bank KFW (Kreditanstalt fuer Wiederaufbau).

To secure liquidity, INTOSOL entered into a contract with Right Now, a factoring company, which helped to pay the prepayments of customers back, which have made these prepayments, but could not travel due to Covid-19.

Fiscal year 2021 promises a path to a “new normal” with a newly developed vaccine. INTOSOL took this as an opportunity to deal even more intensively with its customers and to redefine the travel design team despite short-time work.
In times of COVID, the customers' need for travel advice is particularly in demand.
Business has therefore recovered noticeably in the last few months. Nevertheless, almost all employees are still on short-time work. Thanks to the support provided by short-time working, the company is doing well in an international comparison.
Demand is particularly strong in the Indian Ocean. Here especially the Maldives. Destinations in Europe have also been expanded significantly.
In the past few months, INTOSOL has also attached great importance to further training for employees.
Inspection trips to Croatia, Mallorca, the Maldives, South Africa and various Greek islands took place
In the last few months, new accents have also been established in sales. The contact between travel designers and customers is particularly important in times of COVID. Here the company relies very successfully on ZOOM Meetings and WhatsApp as a channel for customer care. In addition, social media posts were significantly increased.

As at 31 January 2021 the Group’s revenue stood at EUR 380,157. The Group made a net loss of EUR 196,868 or the period which can be attributed mainly to Covid-19.

We remain focused on building a global lifestyle experience company that merges private travel and unique experiences with hotel ownership. Our growth strategy was underpinned by strong market fundamentals for high-end tourism, with research showing that luxury travel is growing twice as fast as the overall market. With a portfolio of high-end, boutique hotels, we are well positioned to take advantage of this. Post-period, Covid-19 has a strong impact on our business model. We expect a moderate increase of bookings from customers in the post-Covid-19-period. Therefore, we started a cost cutting programme, successfully applied rescue instruments from the German Government and will manage liquidity. We are looking forward to the post-Covid-19 period.
Finally, I would like to take this opportunity to thank all shareholders for their continued support and I look forward to providing updates on our progress as we move forward.

Hans-Joachim Bischoff

Bischoff

Chairman **28 July 2021**

The Directors present their report and financial statements of the Group for the period ended 31 January 2021.

Directors

The Directors who served the Group during the period are as follows:

Mr Hans-Joachim Bischoff (appointed 1rst of February 2020 as Chairman)
Mr Rainer Spekowius (appointed 1rst of February 2021 as Chief Executive Officer)
Mr Robert Mitchell (appointed 1 May 2019)
Mr Marcus Yeoman (appointed 1 May 2019)

Unless otherwise disclosed, all directors were appointed at the time the company was incorporated on 6 June 2017 and have remained on the board since that time.

The Directors appointed to the Board are as follows:
Mr Hans-Joachim Bischoff (appointed 1rst of February 2020 as Chairman)
Mr Rainer Spekowius (appointed 1rst of February 2021 as Chief Executive Officer)
Mr Robert Mitchell (appointed 1 May 2019)
Mr Marcus Yeoman (appointed 1 May 2019)

Meetings of the Directors

During the period to 31 January 2021, the directors attended the following meetings of the board of directors:

	Meetings eligible to attend	Meetings attended
Rainer Spekowius	2	2
Hans-Joachim Bischoff	2	2
Robert Mitchell	2	2
Marcus Yeoman	2	2

Review of the Business

Please refer to the Strategic Report for information on the Group, its strategic direction, this period's results, and plans for the future.

Business Model

The Group's business model is to expand its sectoral influence by providing groundbreaking travel experiences to its customers that meet their wants and needs, building the INTOSOL brand to a level where its name is synonymous with the provision of luxury travel services, and the INTOSOL business is global in its reach.

Branches outside the UK

The Group's main operations are headquartered in Garbsen, Germany. Secondary offices are maintained in the UK and South Africa.

Environmental matters

There are no environmental issues arising from the Group's business that might affect the future strategic direction or results of our group.

Carbon Emissions

The Group's operations are in the provision of luxury travel services, in which carbon emissions are estimated to be negligible. The Directors do not consider it practicable to obtain this information at this time.

Social, Community & Human Rights issues

The Board are monitoring the Group's social & community impact, both for its own staff and the wider community of end-users for its products.

The Board is mindfull of Human Rights issues in the jurisdictions it operates in, and aims to maintain the highest standards of care and conduct in all its relations to ensure INTOSOL exceeds any required standard in this area.

Research and Development

The Board believe that the Group's research and development in a fully integrated technology platform is a key point of difference to its competitors as it facilitates the integration of newly acquired properties into the Group structure and the Group's management reporting framework. The platform contributes to consistency of service, yield management, live management reporting and the monitoring of KPIs across all properties. In addition, the roll-out of unified systems across the Group has meant that staff will be better equipped to meet client needs. Improving the client experience, and further adding a unique addition to the INTOSOL brand.

The Group is developing VIRTOSOL into a fully integrated virtual reality experience, with data intelligence capabilities supported by digital connectivity to a market leading edge in the customer experience and sales.

Financial Instruments

Information regarding the Group's financial risk management objectives and policies, including exposure to market, credit and liquidity risks, are presented in Note 23 to these financial statements.

Capital Structure

At 31 January 2021, the ordinary share capital of INTOSOL Holdings PLC consisted of 14,879,376 shares valued at 10 pence each. There are no restrictions on the transfer of securities in the Company, and no restrictions on voting rights.

Post Balance Sheet Events

The directors allotted 315,000 ordinary shares in exchange for cash consideration.

Aside from as above disclosed, the directors are not aware of any significant events since the end of the reporting period.

Indemnification of Officers

INTOSOL Holdings PLC has paid for professional indemnity insurance for the directors of the Company. The policies cover the period to 31 January 2021, and subsequent

Proceedings on Behalf of the Group

No person has applied for leave of court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

The Group was not a party to any such proceedings during the period.

Directors' responsibilities

The Directors are responsible for preparing the Strategic Report and 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 or period. Under that law the Directors have elected to prepare the financial statements in accordance with applicable United Kingdom law and those International Financial Reporting Standards ("IFRS") as adopted by the European Union. 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 Group and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS as adopted by the European Union;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

They are also responsible for safeguarding the assets of the Group 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 Group· website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Directors' statement as to disclosure of information to the auditor

The Directors at the date of approval of this report confirm that

- to the best of their knowledge and belief, there is no relevant audit information of which the Group's auditor is unaware; and
- the Directors have taken all the steps that that might reasonably be expected to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

On behalf of the Board

Bischoff

Hans-Joachim Bischoff
Chairman
28 July 2021

INTOSOL Holdings PLC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JANUARY 2021

	Note	Year Ended 31 Jan 2021	Year Ended 31 Jan 2020
		€	€
Revenue	6	380,157	6,344,606
Cost of sales		(289,678)	(4,332,469)
Gross profit		**90,479**	**2,012,137**
Other income			
Own work capitalized		-	-
Other operating income	7	641,337	388,899
Finance income		7,875	10,313
Overhead expenses			
Advertising & marketing		(102,980)	(438,254)
Personnel expenses	4(a)	(302,349)	(802,541)
Depreciation and amortization		(66,614)	(191,762)
Impairment losses		-	(533,676)
Reversal of impairment		450,689	-
Finance expense		(28,008)	(162,445)
Other operating costs	4(b)	(887,297)	(3,189,570)
Operating loss		**(196,868)**	**(2,906,899)**
Non-operating costs			
Listing expenses		-	-
Loss before tax		**(196,868)**	**(2,906,899)**
Income tax expense	5	-	-
Net loss for the year		**(196,868)**	**(2,906,899)**
Other comprehensive income		(25,693)	9,527
Total comprehensive loss for the year		**(222,561)**	**(2,897,372)**
Attributable to the owner of the parent		(222,561)	(2,897,372)
Loss per share	26		
Basic		(0.015)	(0.22)
Diluted		(0.013)	(0.19)

The accompanying notes form part of these financial statements.

INTOSOL Holdings PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 JANUARY 2021

	Note	31-Jan-21 €	31-Jan-20 €
Current assets			
Cash and cash equivalents	**8**	8,064	60,342
Trade and other receivables	**9**	334,441	1,363,178
Inventories		1,820	2,590
Deposits paid	**10**	19,777	25,951
Receivables from related parties - RSP	**20**	360,705	288,426
Receivables from related parties - Directors	**20**	321,551	313,568
Prepayments and other assets		481,490	141,246
Total current assets		**1,527,848**	**2,195,301**
Non-current assets			
Receivables from related parties		-	-
Financial assets		-	-
Receivables from related parties - RSP	**20**	1,220,951	1,268,032
Intangible assets	**11**	21,917	28,254
Property, Plant and Equipment	**12**	347,609	2,601,218
Total non-current assets		**1,590,477**	**3,897,504**
Total assets		**3,118,325**	**6,092,805**
Current liabilities			
Trade and other payables	**13**	502,693	1,595,168
Borrowings	**14**	804,373	832,278
Provisions		35,500	46,514
Tax provision		-	-
Other liabilities		269,591	2,601,897
Total current liabilities		**1,612,157**	**5,075,857**
Non-current liabilities			
Borrowings	**14**	809,456	341,378
Other Liabilities		293,814	-
Related parties' loans	**20**	2,226,865	2,276,977
Total non-current liabilities		**3,330,135**	**2,618,355**
Total liabilities		**4,942,292**	**7,694,212**
Net (liabilities)		**(1,823,967)**	**(1,601,407)**
Equity			
Share capital		1,620,531	1,620,531
Share premium		3,879,164	3,879,164
Share based payment reserve		59,244	59,244
Merger reserve		(750,197)	(750,197)
Fair value reserve		(70,106)	(70,106)
Retained earnings		(6,294,298)	(3,387,400)
Current year earnings		(196,868)	(2,906,899)
FX reserve		(71,437)	(45,744)
Total equity and reserves		**(1,823,967)**	**(1,601,407)**

INTOSOL Holdings PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 JANUARY 2021

The accompanying notes form part of these financial statements.
In accordance with Section 408 of the UK Companies Act 2006, the Parent Company is availing itself of the exemption from presenting its individual statement of profit or loss and other comprehensive income. The Parent Company's loss for the financial period as determined in accordance with IFRS's is € 277,866. The Parent Company had no cashflow in the period, and therefore no cashflow statement has been prepared.

These financial statements were approved and authorized for release by the Directors on 28 July 2021 and are signed on its behalf by:

Bischoff

Hans-Joachim Bischoff
Chairman

Company Registration Number: 10806039

INTOSOL Holdings PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2021

	Share capital	Share premium account	Share based payment reserve	Merger reserve	Fair value reserve	FX reserve	Retained earnings	Total equity
	€		€	€		€	€	€
Balance as at 1 February 2020	**1,620,531**	**3,879,164**	**59,244**	**(750,197)**	**(70,106)**	**(45,744)**	**(6,294,299)**	**(1,601,407)**
Comprehensive income								
Loss for the period							(196,868)	(196,868)
Other comprehensive income						(25,693)		(25,693)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**(25,693)**	**(196,868)**	**(222,561)**
Transactions with owners, in their capacity as owners								
Shares issued	-	-						**-**
Dividend							**-**	**-**
Total other transactions with partners	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 31 January 2021	**1,620,531**	**3,879,164**	**59,244**	**(750,197)**	**(70,106)**	**(71,437)**	**(6,491,167)**	**(1,823,968)**

The accompanying notes form part of these financial statements.

INTOSOL Holdings PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2021

	Share capital	Share premium account	Share based payment reserve	Merger reserve	Fair value reserve	FX reserve	Retained earnings	Total equity
	€	€	€	€	€	€	€	€
Balance as at 1 February 2019	**1,304,953**	**2,814,459**	**-**	**(750,197)**	**-**	**(55,271)**	**(3,387,400)**	**(73,456)**
Comprehensive income								
Profit/ (loss) for the period (restated)	-	-	-	-	-	-	(2,906,899)	**(2,906,899)**
Other comprehensive income	-	-	-	-	-	9,527	-	**9,527**
Total comprehensive income for the period	**-**	**-**		**-**	**-**	**9,527**	**(2,906,899)**	**(2,897,372)**
Transactions with owners, in their capacity as owners								
Shares issued	315,578	1,064,705	-	-	-	-	-	**1,380,283**
Share based payment	-	-	59,244	-	-	-	-	**59,244**
Fair value reserve	-	-	-	-	(70,106)	-	-	**(70,106)**
Total other transactions with partners	**315,578**	**1,064,705**	**59,244**	**-**	**(70,106)**	**-**	**-**	**1,369,421**
Balance at 31 January 2020	**1,620,531**	**3,879,164**	**59,244**	**(750,197)**	**(70,106)**	**(45,744)**	**(6,294,299)**	**(1,601,407)**

The accompanying notes form part of these financial statements.

INTOSOL Holdings PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2021

	Notes	Year ended 31-Jan-21 €	Year ended 31-Jan-20 €
Cash flows from operating activities			
Profit after income tax		(196,868)	(2,906,899)
Non-cash flows in profit:			
- Depreciation and amortization		66,614	191,762
- Allowance for impairment losses		(450,689)	533,676
Movements in* assets & *liabilities			
- Trade and other receivables		694,667	(617,358)
- Inventories		770	5,272
- Trade and other payables		(1,092,475)	(635,101)
- Other liabilities		491,907	2,900,534
Net cash generated from operating activities		**(486,074)**	**(528,114)**
Cash flows from investing activities			
Purchase of fixed assets		-	(2,032,058)
Intangible assets		6,338	-
Payments to RSP-related party		(33,181)	63,866
Net cash used in investing activities		**(26,843)**	**(1,968,192)**
Cash flows from financing activities			
Proceeds from issue of shares		-	1,369,421
Borrowings		440,173	-
Loan funds received		(50,112)	1,029,940
Net cash generated from financing activities		**390,061**	**2,399,361**
(Decrease)/ increase in cash and cash equivalents		**(122,857)**	**(96,945)**
Effect of changes in foreign exchange rates		70,579	9,527
Cash and cash equivalents at opening		60,342	147,760
Cash and cash equivalents at closing	**8**	**8,064**	**60,342**

The accompanying notes form part of these financial statements.

1. Corporate Information

The Consolidated financial statements of INTOSOL Holdings PLC and it's subsidiaries (the 'Group') for the year ended 31 January 2021 were authorized for issue in accordance with a resolution of the Directors on 13 August 2020. INTOSOL Holdings PLC is a public listed company incorporated in England and Wales whose shares are publicly traded on the London Stock Exchange. The principal activities of the group are touristic activities (tour operators and hotel management).

2. Accounting Policies

2.1 Basis of Preparation

Changes in accounting policies and the adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except for changes arising from new standards and amendments to existing standards that have been adopted in current year.

IFRS 15 '*Revenue from contracts with customers'*

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.
The company has adopted IFRS 15 from 1st February 2020. The cumulative effect of initially applying IFRS 15 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under IAS 18 and related interpretations.

The adoption of IFRS 15 did not have a material effect on the Company's opening retained earnings as at 1st February 2020.

Several other amendments and interpretations apply for the first time in 2020, but do not have an impact on the Financial Statements of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

2.2 Going Concern

This report has been prepared on the going concern basis, which contemplates the continuation of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

During the year ended 31 January 2021, the Group incurred net loss after tax of EUR 222,561 (31 January 2020: EUR 2,897,372) and a cash outflow from operating activity of EUR 486,075 (31 January 2020: outflow EUR 528,114). As at 31 January 2021, the Group had cash and cash equivalents of EUR 8,064 (31 January 2020: EUR 60,342) and net liabilities of EUR 1,823,967 (31 January 2020: Net liabilities EUR 1,601,407).

The going concern basis is dependent upon the continuing financial support of the directors and RSP Beteiligungs GmbH. In the directors' opinion, at the date of signing the financial report, there are reasonable grounds to believe that the Company will remain a going concern in the next 12 months.

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

In arriving at this position, the directors have had regard to the fact that the Group has, or in the directors' opinion will have access to, sufficient cash to fund administrative and other committed expenditure for a period of not less than 12 months from the date of this report.

In forming this view the directors have taken into consideration the following.

- The ability of the Company to obtain funding through various sources, including debt and equity issues which are currently being investigated by management;
- The Group has the capacity, if necessary, to reduce its operating cost structure in order to minimise its working capital requirements; and
- The ability to further vary cash flow depending upon the achievement of certain milestones within the business plan.
- Financial support from the directors and RSP Beteiligungs GmbH.

The directors have reasonable expectations that they will be able to raise additional funding needed for the Group to continue to execute against its milestones in the medium term. However, cashflows will be adjusted to ensure that the Company can pay its debts as and when they fall due until medium term funding is secured. This may have an impact on the ability of the Group to grow as rapidly as it anticipated but should provide a more sustainable cost base until funding is obtained.

Should the Group not achieve the matters set out above there is significant uncertainty whether the Company and the Group will continue as going concern and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustment relating to the recoverability or classification of the recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Company or the Group not be able to continue as a going concern.

2.3 Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by INTOSOL Holdings PLC as at 31 January 2021. A controlled entity is any entity over which INTOSOL Holdings PLC has the power to govern the financial and operating policies so as to obtain benefits from its activities.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Pooling of Interests on Incorporation of Parent Entity

On 6 June 2017, INTOSOL Holdings PLC was created and held under common control with the following entities, Deutsche Touristik Beteiligungs GmbH, INTOSOL UK Ltd, Deutsche Touristik Asset Management GmbH, INTOSOL GmbH & Co. Kg, INTOSOL RSA (Pty Ltd) and INTOSOL Verwaltungs GmbH. As all parties were under common control before and after their respective acquisitions by

INTOSOL Holdings PLC, the acquisitions were scoped out of IFRS 3, and thus accounted for using the pooling of interest method.

Under this method the assets and liabilities of the acquiree are recorded at book value and intangible assets and contingent liabilities are only recognised if they were previously recognised by the acquiree. No goodwill is recorded and expenses of the combination are written off immediately in profit or loss. The difference between the consideration paid/transferred and the nominal value of the share capital in the acquired companies has been reflected as a Merger Reserve within equity.

After the acquisition, the consolidation is processed as normal, on a line by line basis for revenue, expenses, assets and liabilities.

Subsequent Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses. A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exceptions). When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations are expensed to the statement of comprehensive income. The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

Goodwill

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

i. the consideration transferred;
ii. any non-controlling interest (determined under either the full goodwill or proportionate interest method); and
iii. the acquisition date fair value of any previously held equity interest; over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate consolidated financial statements.

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units representing the lowest level at which goodwill is monitored being not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

Changes in the ownership interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions and do not affect the carrying amounts of goodwill.

2.4 Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by completion of service to the customer, which is when services are provided to customer. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Provision of travel services
Revenue from the sale of travel services is recorded on the date when actual services are rendered.

2.5 Finance income

Interest income is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

2.6 Intangible Assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Research and development
Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

2.7 Impairment

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.
Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The

value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

2.8 Property, Plant & Equipment

Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

2.9 Cash & Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

2.10 Financial Instruments

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

2.11 Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Trade Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

2.13 Trade Payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted.

2.14 Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

2.15 Income Tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

2.16 Foreign Currencies

Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Euro, which is the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions.

Foreign currency monetary assets and liabilities at the reporting date are translated at the exchange rate existing at the reporting date. Exchange differences are recognised in the statement of comprehensive income in the period in which they arise.

2.17 Contributed Equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

If the Group reacquires its own equity instruments, e.g. as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

2.18 Leases

Entity as lessee

At inception of a contract, the entity assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, and the entity obtains substantially all the economic benefits of the use of the assets. The entity has elected to apply the practical expedient to account for each lease component and any non-lease components as a single lease component for leases that fall outside the scope of IFRS 16 Leases.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

2.19 Estimates, judgments and errors

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation or future events and are based on current trends and economic data, obtained both externally and within the Group.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

2.20 Segment Information

The Group has identifies its operating segment based on the internal reports that are viewed and used by the Board of Directors in assessing performance and determining the allocation of resources. The Group operating predominantly in one business segment (Travel and Leisure). Accordingly, the information by business segment is not presented.

New accounting standards for application in future periods

Certain new accounting standards and interpretations have been published that are not mandatory for 31 January 2021 reporting periods and have not been early adopted by the group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

3. Operating profit/(loss)

The following items have been included in arriving at the operating profit/(loss):

	31 January 2021 €	31 January 2020 €
Expenses:		
Director remuneration	79,263	313,885
Auditor's remuneration	12,500	15,000

All remuneration payable to the auditors has been disclosed above. No other non-audit services have been provided. No benefits in kind are payable to the auditors.

4. Employees

	31 January 2021 €	31 January 2020 €
Staff costs for the Group during the period:		
Wages and salaries	(259,022)	(699,765)
Social security costs (including superannuation)	(43,327)	(102,776)
	(302,349)	**(802,541)**

The average monthly number of staff (including executive Directors) employed by the Group during the year amounted to:

	31 January 2021	31 January 2020
Management staff	2	5
Other employees (full time)	29	40
Other employees (part-time)	-	2
	31	**47**

4(b). Other operating cost

	31 January 2021 €	31 January 2020 €
Provision for refunds	-	945,024
Share based payments	-	705,467
Foundation costs	-	40,000
Rent expenses	-	179,520
Consulting fees	19,481	177,994
Repairs & Maintenance	84,272	74,107
Legal expenses	60,499	63,382
Other operating expenses	723,045	1,004,076
	887,297	**3,189,570**

5. Taxation

	31 January 2021 €	31 January 2020 €
Current Tax		
Current tax on profits in the period	-	-
Deferred tax expense	-	-
Income Tax Expense	-	-

Factors affecting current tax change

	31 January 2021 €	31 January 2020 €
Profit/(Loss) before taxation	(196,869)	(2,906,900)
Profit on ordinary activities multiplied by the standard rate of tax in UK of 19%	(37,405)	(552,311)
Disallowable expenses	-	-
Losses carried forward	(37,405)	(552,311)
Total current tax	-	-

6. Revenue

By Destination

	31 January 2021 €	31 January 2020 €
Southern Africa	255,539	3,301,681
Indian Ocean	34,687	1,104,651
Arabia	-	63,459
Europe	80,487	434,078
South East Asia	-	341,795
East Africa	-	462,406
America	-	161,632
Oceania	-	249,133
Other	9,443	225,771
	380,157	**6,344,606**

7. Other Income

	31 January 2021 €	31 January 2020 €
Covid-19 Grants	600,933	6,400
Other Income	40,404	382,449
	641,337	**388,899**

8. Cash and cash equivalents

	31 January 2021	31 January 2020
	€	€
Cash at bank	7,103	14,997
Cash in hand	-	601
Call deposit	961	44,744
	8,064	**60,342**

Cash at bank is included as cash and cash equivalents in connection with the statement of cash flows. When in overdraft, this balance is included in borrowings.

9. Trade and other receivables

	31 January 2021	31 January 2020
	€	€
Trade and other receivables	334,441	2,243,266
Allowance for impairment losses	-	(880,088)
	334,441	**1,363,178**

Allowance for impairment losses:		
At 1.2.2020	(880,088)	(346,412)
Reversal of Provision	880,088	(533,676)
At 31.01.2021	-	(880,088)

10. Deposits paid.

	31 January 2021	31 January 2020
	€	€
Property deposits	19,777	25,951

One property, Leadwood, has been fully paid. There is a mortgage of shareholder Ulrich Stoewer on it about 800,000 €.

11. Intangible Assets

	31 January 2021	31 January 2020
	€	€
Virtosol	4	4
New destinations	-	7,600
Other brands	1,490	227
Goodwill	20,423	20,423
	21,917	**28,254**

Movement in capitalized development costs:

	Virtosol	New Destinations	Other licenses	Goodwill	Total
	€	€	€	€	€
Opening balance	4	7,600	227	20,423	**28,254**
Amortization	-	(7,600)	-	-	**(7,600)**
Development expenditure during the year	-	-	1,263	-	**1,263**
Forex	-	-	-	-	**-**
Closing balance	4	-	1,490	20,423	**21,917**

12. Property, plant and equipment

	31 January 2021	31 January 2020
	€	€
Office Equipment – At Cost		
Opening balance	12,773	36,780
Balance acquired on merger – at cost	-	-
Additions	-	-
Accumulated depreciation	(18,614)	(23,822)
Forex	12,115	(185)
	6,274	**12,773**
Motor Vehicle – At Cost		
Opening balance	1,384	2,278
Balance acquired on merger – at cost	-	-
Additions	-	-
Accumulated depreciation	(1,384)	(781)
Forex	-	(113)
	-	**1,384**
Furniture & Fittings – At Cost		
Opening balance	95,850	142,248
Balance acquired on merger – at cost	-	-
Additions	-	-
Accumulated depreciation	(46,616)	(34,944)
Forex	8,624	(11,454)
	57,858	**95,850**
Property – At Cost		
Opening balance	2,491,211	537,804
Impairment/Deletion	(2,090,723)	2,117,992
Accumulated depreciation	-	(76,544)
Forex	(117,011)	(88,041)
	283,477	**2,491,211**
Total property, plant and equipment	**347,609**	**2,601,218**

12. Property, plant and equipment (Continued)

Movement in property, plant and equipment:

	Office equipment – KG	Office equipment – RSA	Office equipment - total	Motor vehicle - RSA	Furniture & fittings - RSA	Property - RSA	Property – INTOSOL Holding Plc	Property - total	Total
Opening balance	16,631	(3,858)	**12,773**	1,384	95,850	482,549	2,008,662	**2,491,211**	**2,601,218**
Impairment/ Deletion	-	-	**-**	-	-	(429,399)	(1,661,324)	**(2,090,723)**	**(2,090,723)**
Depreciation	(18,614)	-	**(18,614)**	(1,384)	(46,616)	-	-	**-**	**(66,614)**
Forex	8,047	4,068	**12,115**	-	8,624	(53,150)	(63,861)	**(117,011)**	**(96,272)**
Closing balance	**6,064**	**210**	**6,274**	**-**	**57,858**	**-**	**283,477**	**283,477**	**347,609**

13. Trade and other payables

	31 January 2021	31 January 2020
	€	€
Trade and other payables	502,693	1,595,168

14. Borrowings

a) *Short term*

	31 January 2021	31 January 2020
Overdraft	-	-
Related party loans (Note 20)	546,353	552,244
Other loans	16,000	16,000
Bank loans (note 13.1)	242,020	264,034
	804,373	**832,278**

a) *Long term*

Bank loans (note 13.2)	763,332	294,886
Mezzanine financing	46,124	46,492
Other loans	-	-
	809,456	**341,378**

Mezzanine financing has been provided by various sophisticated investors and related parties of the Group, to help fund operational growth and business expansion.

13.1 This includes current portion of long term Commerzbank loan amounting to Euro 63,112 and an open ended credit line from Commerzbank with a balance amounting to Euro 200,739 and carries interest at the rate of 4% per annum.

13.2 This loan is obtained from Commerzbank carrying the interest at the rate of 3.5% per annum. This is repayable by equal quarterly installments of Euro 15,778. The term of loan ends on 31 August 2025.

15. Other reserves

	31 January 2021 €	31 January 2020 €
Foreign exchange reserves	(71,437)	(45,744)
Share based payment reserve	59,244	59,244
Fair value reserve	(70,106)	(70,106)
Merger reserve	(750,197)	(750,197)
	(832,496)	**(806,803)**

16. Merger reserve

INTOSOL Holdings PLC acquired 100% of the share capital of Deutsche Touristik Beteiligungs GmbH, Deutsche Touristik Asset Management GmbH, INTOSOL GmbH & Co. Kg, INTOSOL RSA (Pty) Ltd, INTOSOL Verwaltungs GmbH and INTOSOL UK Ltd in 2017.

These transactions are noted as being completed under common control - all companies involved in the deal were controlled by Mr Rainer Spekowius before and after the transaction was processed.

This condition falls under a scope exemption for IFRS 3. Per IAS 8.1 the group may in this circumstance utilise pronouncements of other standard-setting bodies that use a similar conceptual framework to develop accounting standards.

As a UK group the directors decided to apply UK Generally Accepted Accounting Principles which make provision for Pooling of Interests in a common control situation also commonly referred to as Merger Accounting.

In this circumstance the difference between the consideration transferred and the nominal value of share capital acquired is taken to equity creating a Merger Reserve

6 June 2017 Acquisitions

	€
Consideration transferred	975,712
Value of share capital acquired	(225,515)
Value of Merger Reserve	**750,197**

17. Retained earnings

	31 January 2021	31 January 2020
	€	€
Opening balance	(6,294,299)	(3,387,400)
Loss for the year	(196,868)	(2,906,899)
Balance carried forward	**(6,491,167)**	**(6,294,299)**

18. Contributed equity

2020/21	**No. of shares**	**Share Capital €**	**Share Premium €**
Opening balance as at 1 February 2020	14,879,376	1,620,531	3,879,164
Share issued during the year	-	-	-
Share issue costs	-	-	-
Balance as at 31 January 2021	**14,879,376**	**1,620,531**	**3,879,164**

2019/20	**No. of shares**	**Share Capital €**	**Share Premium €**
Opening balance as at 1 February 2019	11,485,618	1,304,953	2,814,459
Share issued during the year	3,393,758	315,578	1,064,705
Share issue costs	-	-	-
Balance as at 31 January 2020	**14,879,376**	**1,620,531**	**3,879,164**

The holder of the ordinary shares is entitled to one vote per share at any meeting of the Company whether in person or by proxy. The holder is entitled to receive dividends declared from available profits and to the surplus of assets on a winding up.

19. Investment in subsidiaries

Company Name	Date of Acquisition	Percentage Holding 31 January 2021
Deutsche Touristik Beteiligungs GmbH	28 August 2017	100%
Deutsche Touristik Asset Management GmbH	28 August 2017	100%
INTOSOL GmbH & Co. Kg	2 November 2017	100%
INTOSOL Verwaltungs GmbH	2 November 2017	100%
INTOSOL RSA (Pty) Ltd	15 November 2017	100%
INTOSOL UK Ltd	8 December 2017	100%

20. Related party transactions

Following are the details of the balances and transaction with the related parties;

Nature of balance	Related party	Amount (Euro)
Receivables from related parties - RSP	RSP Beteiligungs GmbH	360,705
Receivables from related parties - Directors	Rainer Spekowius	321,551
Receivables from related parties – RSP – (non-current receivables)	RSP Beteiligungs GmbH	1,220,951
Related party loan – (non-current liabilities)	RSP Beteiligungs GmbH	2,226,865
Borrowings	Ulrich Stoewer	546,354

Net payable to RSP is 645,209 Euro.

All transactions were made on normal commercial terms and conditions and at market rates.

The significant outstanding balances of the related parties are disclosed in the respective notes to the financial statements.

21. Commitments and contingencies

A at 31 January 2021, INTOSOL Holdings PLC did not have any contingencies or commitments.

22. Key Management Personnel

Renumeration report

Policy & Practice

The Group operates on a strictly 'capital efficient' approach and therefore director's remuneration has been based on conservative market matching rates in order to act in the best interest of the company during the company's growth phase. At this time, outside of existing shareholdings, there are no performance components included in directors' remuneration. A remuneration committee has been formed to oversee this aspect of the Group's operations.

The committee is chaired by Mr Rainer Spekowius and Mrs Petra Buchholz is the other participating member. All aspects of key management personnel remuneration are now overseen by the remuneration committee, including the new contracts which have been prepared for the Executive Directors.

The remuneration committee is undertaking a strategic review of the structure of director remuneration to ensure that the correct mix of fixed remuneration and performance-related incentives are provided, to maintain the Company's competitiveness in the corporate marketplace.

Contracts

Directors' remuneration in its various forms was historically agreed by the Executive Chairman, but is now overseen exclusively by the remuneration committee. Dr. Petra Buchholz, Mr Robert Mitchell and Mr Marcus Yeoman are provided with relevant contracts have been executed prior to the appointment.

All contracts are continuous, until terminated by either party.

The consultancy fee of Rainer Spekowius is paid by INTOSOL GmbH & Co. KG in Euro.
The salary of Dr. Petra Buchholz is paid by INTOSOL GmbH & Co. KG in Euro.

Amount of emoluments & compensation

	Salary €	Superannuation €	Consultancy Fees and Barter €	Total 2021 €	Total 2020 €
1 Rainer Spekowius	-	-	98,000	98,000	52,500
2 Hans-Joachim Bischoff	-	-	30,000	30,000	1,411
3 Brent Fitzpatrick	-	-	6,000	6,000	10,493
4 Petra Buchholz	29,263	-	-	29,263	43,302
5 Robert Mitchell	25,000	-	-	25,000	26,448
6 Marcus Yeoman	25,000	-	-	25,000	32,796
Total	**79,263**	**-**	**134,000**	**213,263**	**166,950**

During the period, there were no advances, credits or guarantees subsisting on behalf of the directors.

23. Financial risk management

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans from related parties.

The Group's financial instruments at 31 January 2021 were classified as follows:

	Note	31 January 2021 €	31 January 2020 €
Financial assets			
Cash and cash equivalents	**8**	8,064	60,342
Trade and other receivables	**9**	334,441	1,363,178
Receivables from related parties	**20**	1,903,207	1,870,026
Total financial assets		**2,245,712**	**3,293,546**
Financial liabilities			
Trade and other payables	**13**	502,693	1,595,168
Payable to related parties	**20**	2,226,865	2,276,977
Borrowings	**14**	1,613,826	1,173,656
Total financial liabilities		**4,343,384**	**5,045,801**

Fair value versus carrying amounts.

All items shown in the preceding table as either financial assets or financial liabilities are short term instruments whose carrying value is equivalent to the fair value. There is not considered to be a material difference between the fair value and the carrying value.

Specific Financial Risk Exposures and Management

The Group's policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

i) Foreign exchange risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

The Group's exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarized below:-

23. Financial risk management (continued)

2021	**British Pound €**	**South African ZAR €**	**Total €**
Financial Assets			
Trade receivables	5,207	197,818	203,025
Cash and cash equivalents	1,313	4,181	5,494
	6,520	**201,999**	**208,519**
Financial Liabilities			
Trade payables	(1,509,891)	(104,765)	(1,614,656)
Net Assets/ (Liabilities)	**(1,503,371)**	**97,234**	**(1,406,137)**
2020			
Financial Assets			
Trade receivables	5,245	220,431	225,676
Cash and cash equivalents	138	59,467	59,605
	5,383	**279,898**	**285,281**
Financial Liabilities			
Trade payables	(600,968)	(80,611)	(681,579)
Net Assets/ (Liabilities)	**(595,585)**	**199,287**	**(396,298)**

Fore Foreign Currency Risk Sensitivity Analysis

Any reasonably possible change in the foreign currency exchange rates at the end of the reporting period against the respective functional currencies of the entities within the Group does not have material impact on the profit after taxation and other comprehensive income of the Group and hence, no sensitivity analysis is presented.

In instances where a transaction denominated in a foreign currency is entered into, the Group will purchase that currency in advance, to mitigate its exposure to future variations in foreign exchange, and ensure funds are available for settlement as needed. The Group maintains foreign denominated bank accounts for this express purpose.

ii) Interest rate risk

The Group had interest-bearing liabilities during the period. Those liabilities vary between having variable interest rates (bank liabilities), and fixed interest rates (mezzanine financing).

Based on our analysis, a 1% increase or decrease in the interest rate applicable to the Group's loans would increase/decrease the Group's interest cost by €20,372.

(b) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance of counter-parties of contract obligations that could lead to financial losses to the Group

Credit risk exposures

The Group has a substantial balance of trade receivables at the year end date, which are unsecured. While the Group has no significant concentrations of credit risk with any single counterparty or group of counterparties, the balance at year end represents approximately a quarter of total turnover for the year.

The Group manages credit risk regarding receivables by date matching outgoing payments for tours/holidays with the receivables from customers who requested them. This way, if the customer does not pay, the corresponding trip is not paid for either, minimising the Group's exposure.

(c) Liquidity risk
Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through careful cash management policies. In order to meet its short term obligations, the Group has the support of its owners, who are willing to provide funds to the Group on an as-needed basis, as well as its mezzanine financiers, who are vested in the Group's success.

For further detail on relevant balances, please refer to Note 9 - Trade and Other Receivables, Note 13 - Trade and Other Payables & Note 14 - Borrowings.

24. Subsequent Events
The directors allotted 315,000 ordinary shares in exchange for cash consideration.

The Covid-19 pandemy still continues and customer trips to destinations abroad are still limited. This will have an impact on business operations in 2021/22. From Government funds INTOSOL KG received € 791,380 to secure the business in 2021 and the Government support from The German Government continues.

Aside from as above disclosed, the directors are not aware of any significant events since the end of the reporting period.

25. Group Details
The principal place of business is:
Dieselstr. 37 f
30827 Garbsen
Germany.

26. Earnings per share (basic and diluted)

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the year.

The following reflects earnings and share data used in the earnings per share calculation.

	31 January 2021 €	**31 January 2020 €**
Loss for the year	(196,868)	(2,906,899)
Weighted average number of shares (basic)	13,240,086	13,240,086
Earnings per share – (basic)	**(0.015)**	**(0.22)**
Weighted average number of shares (diluted)	14,926,043	14,926,043

Earnings per share – (diluted)	**(0.013)**	**(0.19)**

27. Parent Company Information

	31-Jan-21	31-Jan-20
	€	€
Revenue	-	-
Cost of sales	-	-
Gross profit	**-**	**-**
Other income	-	-
Own work capitalized	-	-
Other operating income	(88,375)	182,276
Finance income	6,552	8,161
Overhead expenses		
Advertising & marketing	-	(214,146)
Personnel expenses	-	-
Depreciation and amortization	-	(55,032)
Finance expense	(3,715)	(2,825)
Other operating costs	(192,328)	(1,411,805)
Operating loss	**(277,866)**	**(1,493,371)**
Non-operating costs		
Listing expenses	-	-
Loss before tax	**(277,866)**	**(1,493,371)**
Income tax expense	-	-
Loss for the year	**(277,866)**	**(1,493,371)**
Other Comprehensive Income / (loss)	27,311	(24,776)
Total comprehensive loss for the year	**(250,555)**	**(1,518,147)**

INTOSOL Holdings PLC

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 JANUARY 2021

Balance sheet	31-Jan-21 €	31-Jan-20 €
Current assets		
Cash and cash equivalents	1,313	138
Trade and other receivables	5,207	5,245
Related parties receivables	364,412	503,530
Intragroup receivables	2,241,134	2,219,667
Prepayments and other assets	36,886	35,978
Total current assets	**2,648,952**	**2,764,558**
Non-current assets		
Property, plant and equipment	283,477	2,008,662
Related parties receivables	1,412,826	1,117,211
Investments in subsidiaries	1,131,677	1,185,096
Total non-current assets	**2,827,980**	**4,310,969**
Total assets	**5,476,932**	**7,075,527**
Current liabilities		
Trade and other payables	845,004	600,968
Intragroup payables	96,354	87,063
Other liabilities	68,312	1,771,254
Total current liabilities	**1,009,670**	**2,459,285**
Non-current liabilities		
Related parties payable	1,580,398	1,590,010
Intragroup payables	116,368	5,181
Total non-current liabilities	**1,696,766**	**1,595,191**
Total liabilities	**2,706,436**	**4,054,476**
Net assets/(liabilities)	**2,770,496**	**3,021,051**
Equity		
Share capital	1,620,531	1,620,531
Share premium	3,879,164	3,879,164
Share based payment reserve	59,244	59,244
Reserves	(270)	(27,581)
Retained earnings	(2,788,173)	(2,510,307)
Total equity and reserves	**2,770,496**	**3,021,051**

INTOSOL Holdings PLC

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD 31 JANUARY 2021

	Share capital	Share premium account	Share based payment reserve	Foreign exchange reserve	Retained earnings	Total Equity
	€	€		€	€	€
Balance as at 1 February 2020	1,620,531	3,879,164	59,244	(27,581)	(2,510,307)	3,021,051
Comprehensive income						
Profit/ (loss) for the period	-	-	-	-	(277,866)	(277,866)
Other comprehensive income	-	-	-	27,311	-	27,311
Total comprehensive income for the period	**-**	**-**	**-**	**27,311**	**(277,866)**	**(250,555)**
Other transactions with partners						
Shares issued	-	-	-	-	-	-
Total other transactions with partners	-	-	-	-	-	-
Balance as at 31 January 2021	**1,620,531**	**3,879,164**	**59,244**	**(270)**	**(2,788,173)**	**2,770,496**

INTOSOL Holdings PLC

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2021

	Share capital	Share premium account	Share based payment reserve	Foreign exchange reserve	Retained earnings	Total Equity
	€	**€**		**€**	**€**	**€**
Balance as at 1 February 2019	**1,304,953**	**2,814,459**	**-**	**(2,805)**	**(1,016,936)**	**3,099,671**
Comprehensive income						
Profit/ (loss) for the period	-	-	-	-	(1,493,371)	(1,493,371)
Other comprehensive income	-	-	-	(24,776)	-	(24,776)
Total comprehensive income for the period	-	-	-	(24,776)	(1,493,371)	(1,518,147)
Other transactions with partners						
Shares issued	315,578	1,064,705	59,244	-	-	1,439,527
Total other transactions with partners	315,578	1,064,705	59,244	-	-	1,439,527
						-
Balance as at 31 January 2020	**1,620,531**	**3,879,164**	**59,244**	**(27,581)**	**(2,510,307)**	**3,021,051**

INTOSOL Holdings PLC

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2021

In accordance with a resolution of the Board of Directors of INTOSOL Holdings PLC, the Director of the Group declares that:

1) These financial statements and notes for the period ended 31 January 2021 have been prepared in accordance with International Financial Reporting Standards, as described in Note 1.

2) it is the responsibility of the Director to prepare these financial statements, giving a true and fair view of the Group's position on 31 January 2021 and performance for the year then ended, in accordance with International Financial Reporting Standards.

3) In Director's opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed:

Bischoff

Hans-Joachim Bischoff
Chairman
28 July 2021

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF INTOSOL HOLDINGS PLC

Opinion

In our opinion, consolidated and parent company financial statements ('the financial statements') of Intosol Holdings plc ('the Company' or 'the parent company') and its controlled entities (collectively referred to as 'the Group'):

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 January 2021 and of the group's loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Consolidated Statement of Financial Position and Parent Company Statement of Financial Position as at 31 January 2021; the Consolidated Income Statement and Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Cash Flows and the Consolidated and Parent Company Statements of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the 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 IFRSs as adopted by the European Union.

Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the notes to the financial statements. These are cross-referenced from the financial statements and are identified as audited.

Basis of Matter

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our opinion is consistent with our reporting to the Audit Committee.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 3 to the financial statements, we have provided no non-audit services to the parent company or its controlled undertakings in the period under audit.

Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements, which indicates that during the year ended 31 January 2021, the Group incurred net loss after tax of EUR 222,561 (31 January 2020: EUR 2,897,372) and a cash outflow from operating activity of EUR 486,075 (31 January 2020: outflow EUR 528,114). As at 31 January 2021, the Group had cash and cash equivalents of EUR 8,064 (31 January 2020: EUR 60,342) and net liabilities of EUR 1,823,967 (31 January 2020: Net liabilities EUR 1,601,407).

As stated in note 2.2, these events or conditions, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the company'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 responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Overview of Audit Approach

The group consists of a UK holding company with a number of subsidiary entities containing the operating businesses of both the UK and overseas territories. The parent company balance sheet consists of investment in subsidiaries, receivables, payables and cash. We performed full scope audit procedures over all Group entities by the group audit team.

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 judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We identified the key audit risks to be revenue recognition and going concern.

We set materiality for the Group at 1% of revenue: EUR 3,802.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included 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.

In addition to the matter described in the Material Uncertainty Related to Going Concern section we have determined the matter described below to be a key audit matter to be communicated in our report.

Transactions with related parties

Refer to Note 20,

Key Audit Matter	How our audit addressed the key audit matter
The entity has significant transactions with related parties and balances outstanding at year end are material. We considered the related party transactions to be significant to the audit as the risk is that if these transactions are not conducted at arm's length, and/or the accounting treatment of the rights and obligations of these transactions are not correct, it could influence the results of the group. Furthermore, for financial reporting purposes, IAS 24 related party disclosure, requires complete and appropriate disclosure of transactions with related parties	Our audit procedures included, among others, the following: • We obtained an understanding of the process for identifying related party transactions, performed a walkthrough and assessed the design of controls related to the fraud risk identified; • We verified that the transactions are approved in accordance with internal procedures including involvement of key personnel at the appropriate level; • Agreed the related party information disclosed in the financial statements with the underlying the supporting documents on a sample basis; • We evaluated the business rationale of the transactions; • We obtained copies of service agreements with key management personnel of the Group during the financial year; • From those charged with governance of the Group we requested confirmations from all directors and other key management personnel of the Group during the financial year of their remuneration and any other transactions between them, their related parties and the Group; • We evaluated the rights and obligations per the terms and conditions of the agreements and assessed whether the transactions were recorded appropriately; and • We determined whether the directors have disclosed relationships and transactions in accordance with IAS 24 (refer to disclosure note 20).

Our application of materiality and an overview of the scope of our audit

Materiality

We define materiality as the magnitude of a misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work. We determined materiality for the Group financial statements as a whole to be EUR 3,802, which represents 1% of the Group's revenue for the year ended 31 January 2021.

This benchmark is considered the most appropriate because this is a key performance measure used by the Board of Directors to report to investors on the financial performance of the Group.

Materiality for the current year is lower than the level that we determined for the year ended 31 January 2020, reflecting the decrease in the Group's revenues during the year to 31 January 2021.

We use a different level of materiality, performance materiality, to drive the extent of our testing and this was set at 75% of financial statement materiality for the audit of the Group financial statements. We also determine a lower level of specific materiality for certain areas such as Directors' remuneration and related party transactions.

We agreed with the Board that we would report all audit differences in excess of EUR 190, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Overview of the scope of our audit

A description of the generic scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.ora.uk/auditscopeprivate. We conducted our audit in accordance with International Standards on Auditing (ISAs) (UK and Ireland). Our responsibilities under those standards are further described in the 'Responsibilities for the financial statements and the audit' section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. We are independent of the Group in accordance with the Auditing Practices Board's Ethical Standards for auditors, and we have fulfilled our other ethical responsibilities in accordance with those Ethical Standards.

The Group has operations in the South Africa and Germany and are managed by the Group's management, which operates from Germany. Through our procedures, all Group entities were subjected to a comprehensive audit approach. Our audit approach was based on a thorough understanding of the Group's business and is risk based, and in particular included:

- undertaking procedures before the year end date to evaluate the Group's internal control environment, including IT systems and controls;
- at this visit, we performed an evaluation of the design effectiveness of controls over key financial statement risk identified as part of our risk assessment, reviewed the accounts production process and performed certain transactional procedures for the first nine months of the year in advance of the year end;
- at the final audit visit, we undertook substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the effectiveness of controls over individual systems and the management of specific risks; and
- the scope of the current year audit has remained consistent with the scope of that of the prior year.

Reporting on other information

The other information comprises all of the information 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, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 January 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 and the part of the Directors' Remuneration Report to be audited 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.

Under the Listing Rules, we are required to review:

- the Directors' statements in relation to going concern and longer-term viability; and
- the part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Under the ISAs (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group acquired in the course of performing our audit; or
- otherwise misleading.

In particular, are required to report to you if:

- we have identified any inconsistencies between our knowledge acquired during the audit and the Directors' statement that they consider the annual report is fair, balanced and understandable; or
- the annual report does not appropriately disclose those matters that were communicated to the Audit Committee which we consider should have been disclosed.

We have nothing to report in respect of any of the above matters.

We also confirm that we do not have anything material to add or to draw attention to in relation to:

- the Directors' confirmation in the annual report that they have carried out a robust assessment of the principal risks facing the Group including those that would threaten its business model, future performance, solvency or liquidity;
- the disclosures in the annual report that describe those risks and explain how they are being managed or mitigated;
- the Directors' statement in the financial statements about whether they have considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements; and
- the Directors' explanation in the annual report as to how they have assessed the prospects of the Group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

The risk of not detecting a material misstatement resulting from fraud or other irregularities is higher than for one resulting from error, as they may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control and may involve any area of law and regulation and not just those directly affecting the Financial Statements.

A fuller description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.

Nicholas Hollens

NICHOLAS HOLLENS

Senior Statutory Auditor for and on behalf of Elderton Audit UK

Statutory Auditor, Chartered Accountants Perth, Australia

28 July 2021