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EARLY EQUITY PLC

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2013

Company Registered Number: 05531552

EARLY EQUITY PLC

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2013

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EARLY EQUITY PLC

COMPANY INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2013

Directors	Chua Siew Lian Christopher Neo Gregory Collier (Non-executive director)
Secretary	Jonathan Bradley Hoare
Registered office	30 Percy Street London W1T 2DB United Kingdom
Registered Number	05531552 (England and Wales)
Auditors	haysmacintyre 26 Red Lion Square London WC1R 4AG
ISDX Corporate Adviser	Peterhouse Corporate Finance Limited 31 Lombard Street London EC3V 9BQ
Registrars	Share Registrars Limited Suite E, First Floor 9 Lion and Lamb Road Farnham Surrey, GU9 7LL United Kingdom

EARLY EQUITY PLC

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2013

Early Equity Plc is an investment company quoted on the ISDX Growth Market, focusing on early stage companies with potential for significant growth in the medium to long term.

I am pleased to present the financial results for Early Equity Plc for the year ended 31 August 2013. The results are in line with management expectations and the total comprehensive loss for the year was £251,679 (2012 - £15,808). The loss per share was 0.10p (2012 – 0.33p). The loss before tax of £251,679 (2012 - £140,582) largely reflects the costs of maintaining a public listing. Operating expenses will be kept at a minimum until more funds are raised for the Company.

At year end, the value of our investment portfolio stood at £133,118 (2012 - £286,078). The value of our investment portfolio has decreased by £153k as the value of our investments in Tangibal Group Plc (quoted on the Frankfurt Börse) and Alpha Prospects Plc (quoted on GXG Markets) have declined significantly over the past year. These investments remain non-core and we will seek to realize these investments when the opportunity arises.

In October 2012, the Company undertook a share capital reorganisation and an Open Offer to raise approximately £200,000 (gross of expenses). As part of the Open Offer, 199,953,000 ordinary shares were issued at the Open Offer Price of 0.1 pence per ordinary share. In April 2013, the Company issued another 2,500,000 ordinary shares and raised £7,500. The Company intends to raise further funds in the future in order to continue the evaluation of investment opportunities.

After the period, in March 2014, Chua Siew Lian (Edwin) joined the Board while Lim Hui Jie resigned as a director. We thank him for his past contributions to the Company.

The Company's investment strategy is to invest in early stage, small to medium enterprises around the world. With limited resources on hand, the directors have been prudent and have rejected a number of investment opportunities. Nonetheless, we continue to evaluate potential investments in pursue of our investment strategy. Communications to shareholders will be sent when developments are made.

Finally, on behalf of the board, I would like to take this opportunity to thank the Company's shareholders and professional advisers for their support and assistance throughout the year.

Christopher Neo - Executive Director
30 May 2014

EARLY EQUITY PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2013

The directors submit herewith their Report and audited Financial Statements of the Group and the Company for the year ended 31 August, 2013.

PRINCIPAL ACTIVITY AND INCORPORATION

Early Equity Plc (the "Company") is incorporated in England and Wales and is quoted on ISDX. The principal activities of the Company are to take equity stakes in early stage businesses, to help to finance small entrepreneurially managed companies including bringing them to list on either the AIM or ISDX Markets, and also to provide strategic consultancy services to these companies, often by taking non-executive director positions.

RESULTS AND DIVIDENDS

The Group's results for the year ended 31 August 2013 are set out in the Consolidated Statement of Comprehensive Income on page 9.

A review of the Group's activities and its future developments are set out in the Chairman's Statement on page 2.

The directors do not recommend payment of a dividend (year ended 31 August, 2012: £Nil).

DIRECTORS

The directors of the Company during the year and up to the date of this report were as follows:-

Gregory Collier	
Christopher Neo	
Lim Hui Jie	(resigned 07 March 2014)
Chua Siew Lian	(appointed 07 March 2014)

Directors' interests in the shares of the Company are detailed in note 17.

COMPANY SECRETARY

The secretary of the Company during the year and up to the date of this report were as follows:-

Jonathan Bradley Hoare

POLICY ON PAYMENT OF CREDITORS

It is the Group's policy to settle terms of payment with suppliers when agreeing terms of each transaction, and to ensure that those suppliers are made aware of these terms and to comply with such terms agreed.

In respect of the above policy, it is not appropriate to disclose the average payment period in accordance with the Companies Act 2006 as trade creditors relate to the provision of services reported under administrative expenses.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

Information on the Group's activities is contained in the Chairman's Statement on page 2.

GOING CONCERN

The current economic environment is challenging and the Group has reported an operating loss for the year of £251,679, with net current assets of £24,330 as at 31 August 2013. Operating losses will continue in the current accounting year to 31 August 2014 due to the continuing costs of maintaining a public quotation. These circumstances create material uncertainties over operating performance and cash flows of the Group.

The directors continue to pursue a programme of selective sales of its existing portfolio to help and to maintain the Group in a sound liquidity position. However, there can be no certainty that the realisation of the portfolio will be successful. If investments cannot be realised in a timely manner, the Group remains likely to have a shortfall in its cash resources to meet its liabilities in the short term.

The directors have concluded that the combination of these circumstances represent a material uncertainty that casts significant doubt upon the Group's ability to continue as a going concern. Nevertheless with financial support from significant shareholders, the directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.

The financial statements do not include any adjustments that would result from a failure to secure the additional finance that the Group might be required to continue funding its operations.

KEY PERFORMANCE INDICATORS

The directors are of the opinion that the relevant KPIs for an assessment and measurement of the Group's performance and financial position are investment valuation, earnings per share, net asset value growth and cash generation, the information for which is available in the accompanying financial statements.

FINANCIAL RISK MANAGEMENT

The principal activities of the Group are of an equity investor and investment in securities for the long term. Accordingly, the Group is exposed to the following financial risks:-

(a) Market risk

Price risk
The price paid for securities is subject to market movement that will have impact on the operations of the Group.

Fair value and cash flow interest rate risk
The Group does not have significant cash balances which expose itself to movements in market interest rates.

(b) Credit risk

Trade debtors are reviewed on a regular basis and provision is made for doubtful debts when necessary.

(c) Liquidity risk

The Group manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense.

(d) Foreign exchange risk

The Group does not have significant direct exposure to foreign exchange risk but indirectly through its investments.

CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising returns to shareholders. It is the current strategy of the Group to finance its activities from existing equity and reserves and by the issue of new debt and equity whenever required.

OTHER RISKS MANAGEMENT

The Group's operations expose it to a variety of financial risks that include the effects of changes in interest rates, liquidity risk and credit risk. As majority of the Group's assets and liabilities are denominated in Sterling it is not exposed to significant foreign exchange risk. Given the existing relative small size and operation of the Group and the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board, but will closely monitor the risks on a regular basis.

SUBSTANTIAL SHAREHOLDINGS

On 31 August 2013, the following were beneficial shareholders of 3 per cent or more of the Company's issued share capital:

Beneficial shareholders	Ordinary shares of 0.1 pence	Percentage of issued share capital
Gaea Resources Limited	149,555,560	61.20%
Lim Hui Jie	63,250,000	25.88%

Save as set out above, the directors are not aware of any other persons with a holding of 3 per cent or more of the Company's issued share capital.

On 30 May 2014, the following were beneficial shareholders of 3 per cent or more of the Company's issued share capital:-

Beneficial shareholders	Ordinary shares of 0.1 pence	Percentage of issued share capital
Gaea Resources Limited	76,896,070	31.15%
Lim Hui Jie	63,250,000	25.88%
Dieh Siew Huat	44,439,660	18.00%
Chin Chin Sing	22,219,830	9.00%

Save as set out above, the directors are not aware of any other persons with a holding of 3 per cent or more of the Company's issued share capital.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. In addition, the directors have elected to prepare the Group and Company financial statements in accordance with International Financial Reporting Standards.

The financial statements are required to give a true and fair view of the state of affairs of the Group and Company 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 estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

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

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

The directors confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position of the Group and Company and of the profit or loss of the Group; and
- the directors' report includes a fair view of the development and performance of the business and position of the Company, together with a description of the principal risks and uncertainties that the Company faces.

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board

Greg Collier
Director
30 May 2014

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

EARLY EQUITY PLC

We have audited the Group and Company financial statements (the "financial statements") of Early Equity Plc for the year ended 31 August, 2013 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated and Company Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors
As explained more fully in the Statement of Directors' Responsibilities set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition we read all the financial and non-financial information in the Chairman's Statement, Directors Report & Strategic Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Company's affairs as at 31 August, 2013 and of the Group's loss for the year then ended;
- have been prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Going Concern
In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2(b) to the financial statements concerning the Group's ability to continue as a going concern. The Group incurred a total comprehensive loss in the year of £251,679 and at 31 August 2013 has net current assets of £24,330. These conditions, along with the other matters explained in note 2(b) to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include adjustments that would result if the Group was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Chairman's Statement, Directors' Report & Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us;
- the statements are not in agreement with the accounting records and returns;
- 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.

Ian Cliffe
Senior Statutory Auditor
for and on behalf of haysmacintyre,
Statutory Auditors and Chartered Accountants

26 Red Lion Square
London
WC1R 4AG

EARLY EQUITY PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2013

	Note	2013 GBP	2012 GBP
CONTINUING OPERATIONS			
TURNOVER	5	-	6,000
OTHER INCOME	6	-	13,894
ADMINISTRATIVE EXPENSES		(174,351)	(83,665)
OTHER OPERATING EXPENSES		(76,697)	(75,506)
FINANCE COSTS		(631)	(1,305)
LOSS BEFORE TAX	6	(251,679)	(140,582)
INCOME TAX	7	-	-
LOSS FOR THE YEAR		£(251,679)	£(140,582)
OTHER COMPREHENSIVE INCOME			
Reclassification of fair value gain on disposal of available-for-sale financial assets	16	-	124,774
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		£(251,679)	£(15,808)
BASIC AND DILUTED LOSS PER SHARE (PENCE)	8	(0.10)	(0.33)

The notes on pages 15 to 29 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2013

	Note	2013 GBP	2012 GBP
NON-CURRENT ASSETS			
Available-for-sale financial assets	10	133,118	286,078
CURRENT ASSETS			
Trade and other receivables	11	10,152	14,736
Cash and cash equivalents	12	44,000	-
		54,152	14,736
CURRENT LIABILITIES			
Trade and other payables	13	29,822	22,877
NET CURRENT ASSETS/(LIABILITIES)		24,330	(8,141)
NET ASSETS		£157,448	£277,937
REPRESENTING:			
Share capital	15	424,623	222,170
Share premium	16(a)	211,090	206,090
Fair value reserve	16(a)	21,935	98,198
Accumulated losses	16(a)	(500,200)	(248,521)
SHAREHOLDERS' FUNDS		£157,448	£277,937

The financial statements were approved and authorised for issue by the Board on 30 May 2014 and signed on their behalf by:

Greg Collier
Director

The notes on pages 15 to 29 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2013

	Note	2013 GBP	2012 GBP
NON-CURRENT ASSETS			
Subsidiaries	9	1	1
Available-for-sale financial assets	10	133,118	286,078
		133,119	286,079
CURRENT ASSETS			
Trade and other receivables	11	119,238	14,736
CURRENT LIABILITIES			
Trade and other payables	13	29,822	22,179
Amount due to a subsidiary	14	-	1
		29,822	22,180
NET CURRENT ASSETS/(LIABILITIES)		89,416	(7,444)
NET ASSETS		£222,535	£278,635
REPRESENTING:			
Share capital	15	424,623	222,170
Share premium	16(b)	211,090	206,090
Fair value reserve	16(b)	21,935	98,198
Accumulated losses	16(b)	(435,113)	(247,823)
SHAREHOLDERS' FUNDS		£222,535	£278,635

The financial statements were approved and authorised for issue by the Board on 30 May 2014
2014 and signed on their behalf by:

Greg Collier
Director

The notes on pages 15 to 29 form part of these financial statements.

EARLY EQUITY PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2013

	Share Capital GBP	Share Premium GBP	Fair value Reserve GBP	Accumulated Losses GBP	Total GBP
As at 1 September, 2011	197,170	206,090	264,682	(232,713)	435,229
Issuance of ordinary shares	25,000	-	-	-	25,000
Fair value changes of available for-sale financial assets	-	-	(41,710)	-	(41,710)
Loss for the year	-	-	-	(140,582)	(140,582)
Other comprehensive income for the year - reclassification on disposal of available for-sale financial assets	-	-	(124,774)	124,774	-
Total comprehensive loss for the year	-	-	(124,774)	(15,808)	(140,582)
As at 31 August 2012	222,170	206,090	98,198	(248,521)	277,937
Issuance of ordinary shares	202,453	5,000	-	-	207,453
Fair value changes of available for-sale financial assets	-	-	(76,263)	-	(76,263)
Loss for the year	-	-	-	(251,679)	(251,679)
As at 31 August 2013	£424,623	£211,090	£21,935	£(500,200)	£157,448

EARLY EQUITY PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2013

	2013 GBP	**2012 GBP**
Cash flows from operating activities		
Loss before tax	(251,679)	(140,582)
Adjustments for:		
Provision for impairment for available-for-sale financial assets	76,697	16,459
Loss on disposal of available-for-sale financial assets	-	59,047
Operating loss before changes in working capital:	(174,982)	(65,076)
Decrease/(increase) in trade and other receivables	4,584	(7,538)
Increase/(decrease) in trade and other payables	6,945	(52,185)
Net cash used in operating activities	£(163,453)	£(124,799)
Cash flows from investing activities		
Proceeds from disposal of available-for-sale financial assets	-	190,800
Purchase of available-for-sale financial assets	-	(94,001)
Net cash generated by investing activities	£ -	£96,799
Cash flows from financing activities		
Issuance of ordinary shares	207,453	25,000
Net cash generated by financing activities	£207,453	£25,000
Net increase/(decrease) in cash and cash equivalents	44,000	(3,000)
Cash and cash equivalents at the beginning of the year	-	3,000
Cash and cash equivalents at the end of the year (note 12)	£44,000	£ -

The notes on pages 15 to 29 form part of these financial statements.

EARLY EQUITY PLC

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2013

	2013 GBP	2012 GBP
Cash flows from operating activities		
Loss before tax	(187,290)	(139,884)
Adjustments for:		
Provision for impairment for available-for-sale financial assets	76,697	16,459
Loss on disposal of available-for-sale financial assets	-	59,047
Operating loss before changes in working capital:	(110,593)	(64,378)
Increase in trade and other receivables	(104,502)	(7,638)
Increase/(decrease) in trade and other payables	7,642	(52,883)
Increase in amount due to a subsidiary	-	1
Net cash (used in) operating activities	£(207,453)	£(124,898)
Cash flows from investing activities		
Acquisition of a subsidiary	-	(1)
Proceed from disposal of a subsidiary	-	100
Proceeds from disposal of available-for-sale financial assets	-	190,800
Purchase of available-for-sale financial assets	-	(94,001)
Net cash generated by investing activities	£ -	£96,898
Cash flows from financing activities		
Issuance of ordinary shares	207,453	25,000
Net cash generated by financing activities	£207,453	£25,000
Net decrease in cash and cash equivalents	-	(3,000)
Cash and cash equivalents at the beginning of the year	-	3,000
Cash and cash equivalents at the end of the year (note 12)	£ -	£ -

The notes on pages 15 to 29 form part of these financial statements.

1. GENERAL INFORMATION

The Company, a company registered in the English and Wales, is a specialised advisory and investment firm. The address of its registered office is 30 Percy Street, London, W1T 2DB, United Kingdom.

The Company is quoted on the ISDX in the UK.

The principal activities of the Group and the Company are to take equity stakes in early stage businesses, to help to finance small entrepreneurially managed companies including bringing them to list on either the AIM or ISDX Markets, and also to provide strategic Consultancy services to these companies, often by taking non-executive director positions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all years presented unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, International Financial Reporting Interpretations Committee ("IFRIC") interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. The functional and presentational currency for the financial statements is Sterling. The financial statements have been prepared under the historical cost convention, as modified by the measurement of available for sale financial assets at fair value as explained in accounting policy 2(h) set out below.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

(b) Going concern

The current economic environment is challenging and the Group has reported an operating loss for the year of £251,679, with net current assets of £24,330 as at 31 August 2013. Operating losses have continued in the accounting year to 31 August 2014 due to the continuing costs of maintaining a public quotation. These circumstances create material uncertainties over operating performance and cash flows of the Group.

The directors continue to pursue a programme of selective sales of its existing portfolio to help and to maintain the Group in a sound liquidity position. However, there can be no certainty that the realisation of the portfolio will be successful. If investments cannot be realised in a timely manner, the Group remains likely to have a shortfall in its cash resources to meet its liabilities in the short term. To cope with this uncertainty, subsequent to the reporting period end date, the Company intends to raise further funds by means of an open offer to the existing shareholders, and the directors are of the opinion that the Group will then have sufficient funds to meet its operational requirements.

The directors have concluded that the combination of these circumstances represent a material uncertainty that casts significant doubt upon the Group's ability to continue as a going concern. Nevertheless, after making enquiries and considering the uncertainties described above, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.

The financial statements do not include any adjustments that would result from a failure to secure the additional finance that the Group might be required to continue funding its operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policy and disclosures

Standards in effect in 2013 adopted by the Group

The following standards, interpretations, and amendments to standards have been adopted in the financial statements.

Improvements to IFRS (issued May 2012)	
Amendment to IAS 1	Financial statement presentation regarding other Comprehensive income

IFRS in issue but not applied in the current financial statements

The following IFRS and IFRIC Interpretations have been issued but have not been applied by the Group in preparing these financial statements as they are not as yet effective. The Group intends to adopt these Standards and Interpretations when they become effective, rather than adopt them early.

Amendment to IAS 12	Deferred tax: recovery of underlying assets
Amendments to IAS 32	Offsetting financial assets and financial liabilities
Amendment to IFRS 7	Financial instruments: disclosures – offsetting financial assets and financial liabilities
IFRS 10	Consolidated financial statements
IFRS 11	Joint arrangements
IFRS 12	Disclosures of interests in other entities
IFRS 13	Fair value measurement
IAS 19	Employee benefits
IAS 27 (revised 2012)	Separate financial statements

A number of IFRS and IFRIC interpretations are also currently in issue which are not relevant for the Group's activities and which have not therefore been adopted in preparing these financial statements.

(d) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries and subsidiary undertakings). Control is achieved where the Company has the power to govern the financial and operating policies of a portfolio company so as to obtain benefits from its activities.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

The directors are of the opinion that the Group is engaged in a single segment of business being provision of strategic consultancy services in one geographical area being the United Kingdom. Accordingly, no segmental analysis is considered necessary.

(f) Income

Strategic consultancy service fee is recognised on appropriate basis over the relevant period in which the services are rendered.

Interest income is recognised using the effective interest method.

(g) Expenses

All expenses are accounted for on an accrual basis and are presented as revenue items except for expenses that are incidental to the disposal of available for sale financial assets which are deducted direct from the disposal proceeds.

(h) Financial assets

The Group classifies its financial assets as either at fair value through profit and loss, or as available for sale financial assets. The Group does not hold any held to maturity financial assets or financial assets classified as loans and receivables.

The classification is dependent on the purpose for which the financial assets are acquired and is determined by the directors on initial recognition.

Financial assets at fair value through profit or loss are financial assets which are held for trading. A financial asset is classified as at fair value through profit or loss if it is acquired principally for the purpose of selling in the short term. Derivatives are also classified as held for trading unless they are designated as effective hedges. Such assets are classified as current assets. Financial assets at fair value through profit or loss are shown at fair value at each reporting date with changes in fair value being recognised in profit or loss.

Available for sale financial assets consist of equity investments in other companies where the Group does not exercise either control or significant influence. Available for sale financial assets are shown at fair value at each reporting date with changes in fair value being recognised in other comprehensive income.

Where financial assets are quoted, the fair value at each reporting date is based on the quoted bid price at that date. Where an available for sale financial asset consists of an equity investment in an unquoted entity where a reliable fair value cannot be determined, such investments are shown at cost less impairment.

(i) Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised at fair value subsequently measured at amortised cost using the effective interest method, less any appropriate allowance for estimated irrecoverable amounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and other short term highly liquid deposits with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

(k) Trade payables

Trade payables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method. As the payment period of trade payables is short future, cash payments are not discounted as the effect is not material.

(l) Borrowings

All borrowings are classified as current unless the Group has an unconditional right to defer payment of the borrowings until at least twelve months from the reporting date.

Interest-bearing borrowings are recognised initially at fair value, net of any transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective method with any difference between the proceeds (net of transaction costs) and the redemption value being recognised over the period of the borrowings.

Borrowing costs incurred which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

(m) Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

(n) Foreign currency transactions

Transactions in currencies other than Sterling are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into Sterling at foreign exchange rates ruling at the dates the fair value was determined.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Provisions

Provisions are recognised in Statement of Financial Position where there is a present legal or constructive obligation to transfer economic benefits as a result of a past event. Provisions are discounted using a rate which reflects the effect of the time value of money and the risks specific to the obligation, where the effect of discounting is material.

Provisions are measured at the present value of expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in provision due to the passage of time is recognised as interest expense.

3. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including foreign currency risk, credit risk, liquidity risk and interest rate risk. The management regularly reviews and agrees policies for managing each of these risks which are summarised below:-

(a) Foreign currency risk

The Group has no significant exposure to foreign currency risk although some of its available-for-sale financial assets are denominated in foreign currencies.

(b) Credit risk

The Group has no significant concentrations of credit risk. Credit risk arises principally from cash balances with banks and as well as credit exposure to customers on outstanding receivables. The management regularly reviews its banking arrangements to minimise such risk and monitor credit control procedures to mitigate against risk arising from customers.

(c) Liquidity risk

The Group's objective is to maintain sufficient funding. Management monitors monthly forecasts of the expected cash flows to ensure that a sufficiently liquid position is maintained. The need for additional resources is identified and sourced in a timely manner.

(d) Interest rate risk

The Group's has no significant exposure to interest rate risk as there were no interest bearing financial assets and liabilities at the reporting date.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. However, there are no estimates or assumptions used in these financial statements that the directors would expect will have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Impairments

In considering the impairment loss that may be required for certain available for sale financial assets, recoverable amount of the asset needs to be determined. The recoverable amount is the greater of the net selling price and the value in use. It is difficult to precisely estimate selling price for unquoted investments as quoted market prices are not be readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to items such as level of turnover and amount of operating costs. The Group uses all readily available information in determining an amount that is reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of items such as turnover and operating costs.

Impairment losses for bad and doubtful debts are assessed and provided based on the directors' regular review of ageing analysis and evaluation of collectability. A considerable level of judgement is exercised by the directors when assessing the credit worthiness and past collection history of each individual customer. An increase or decrease in the above impairment loss would affect the operating results in the current year and in future years.

5. TURNOVER

Turnover represents fees received and receivable for provision of strategic consultancy service to customers.

6. LOSS BEFORE TAX

	The Group	
	2013	**2012**
(Loss) before tax is stated after charging the followings :-	**£**	**£**
Auditor's remuneration		
- Statutory audit services	6,750	5,000
Provision for impairment of available-for-sale financial assets	76,697	16,459
Interest on director's loan	-	642
Interest on shareholder's loan	-	618
And after crediting the followings: -		
Waiver of shareholder's loan	-	13,894

7. INCOME TAX

a) Due to tax losses sustained there was no corporation tax payable by the Group for the year (2012: £Nil).

b) The tax charge for the year is different from the standard rate of corporation tax in the United Kingdom. The difference is reconciled as follows:-

	2013	**2012**
	£	**£**
Loss on ordinary activities before tax	£(251,679)	£(140,582)
Loss on ordinary activities at the effective rate of corporation tax applicable to the Group of 20% (2012: 20%)	(50,336)	(28,116)
Expenses not deductible	12,879	140
Tax effect on realised gain on disposal of available-for-sale financial assets	-	24,955
Losses not utilised	37,456	3,021
Current tax charge	£-	£ -

7. INCOME TAX (continued)

c) In the opinion of the directors, a potential deferred tax asset of £ (2012 - £49,565) on the unutilised trading losses has not been recognised as the losses have not yet been agreed with the tax authority and hence there is uncertainty on its recoverability.

8. LOSS PER SHARE

Basic loss per share is calculated by dividing the net loss attributable to shareholders by the weighted average number of ordinary shares outstanding during the year.

	2013 £	2012 £
Loss attributable to shareholders	(251,679)	(140,582)
Weighted average number of ordinary shares in issue	244,050,618	42,931,269
Basic and diluted loss per share (pence)	(0.10)	(0.33)

There is no difference between basic and diluted loss per share.

9. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2013 GBP	2012 GBP
Unlisted shares, at cost		
At 1 January	1	100
Acquisition during the year	-	1
Disposal during the year	-	(100)
At 31 December	£1	£1

Particulars of subsidiaries held by the Company as at 31 August 2013 are as follows:

Name of company	Place of Incorporation/ registration	Particulars of paid up capital	Percentage of equity directly held 2013	2012	2011	Principal Activity
EE Corporate Services Limited	England and Wales	GBP 100	-	-	100%	Inactive
Early Equity Limited	BVI	USD1		100%	-	Not yet commenced business

10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	The Group and the Company	
	2013	2012
	GBP	GBP
Listed equity securities, at market value	133,118	286,078
Unlisted equity securities, at cost	39,500	39,500
Less: Provision for impairment	(39,500)	(39,500)
	-	-
	£133,118	£286,078

As at 31 December 2013, the Group's available-for-sale equity securities were individually determined to be impaired on the basis of a material decline in their fair value below cost and adverse changes in the market in which these investees operated which indicated that the cost of the Group's investment in them may not be recovered. Impairment losses on these investments were recognised in profit or loss.

11. TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2013	2012	2013	2012
	GBP	GBP	GBP	GBP
Trade receivables	-	5,880	-	5,880
Prepayments	5,748	4,432	5,748	4,432
Other receivables	4,404	4,424	4,404	4,424
Amount due from a subsidiary	-	-	109,086	-
	10,152	14,736	119,238	14,736
Unsecured loans to Eclector Limited	9,375	9,375	9,375	9,375
Less: provision for impairment loss	(9,375)	(9,375)	(9,375)	(9,375)
	-	-	-	-
	£10,152	£14,736	£119,238	£14,736

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

	The Group		The Company	
	2013	2012	2013	2012
	GBP	GBP	GBP	GBP
Neither past due nor impaired	-	-	-	-
Less than 3 months past due	-	-	-	-
3 to 6 months past due	-	1,380	-	1,380
Over 6 months past due	-	4,500	-	4,500
	£ -	£5,880	£ -	£5,880

12. CASH AND CASH EQUIVALENTS

	The Group	
	2013 GBP	2012 GBP
Cash at bank and on hand	£44,000	£ -

13. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2013 GBP	2012 GBP	2013 GBP	2012 GBP
Other payables	8,641	14,689	8,641	14,689
Accrued expenses	21,181	8,188	21,181	7,490
	£29,822	£22,877	£29,822	£22,179

14. AMOUNT DUE TO A SUBSIDIARY

	The Company	
	2013 GBP	2012 GBP
Early Equity Limited	£ -	£1

The amount due is unsecured, interest free and is repayable on demand.

15. SHARE CAPITAL

	2013 GBP	2012 GBP
Authorised:		
44,434,001 Deferred Ordinary shares of 0.4 pence each	177,736	-
246,887,001 Ordinary shares of 0.1 pence each	246,887	-
44,434,001 Ordinary shares of 0.5 pence each	-	222,170
	424,623	222,170
Issued and fully paid:		
At beginning of the year		
44,434,001 Ordinary shares of 0.5 pence each	222,170	197,170
Private placing – issuance of shares		
5,000,000 Ordinary shares of 0.5 pence each	-	25,000
202,453,000 Ordinary shares of 0.1 pence each	202,453	-
At end of the year		
44,434,001 Deferred Ordinary shares of 0.4 pence each	177,736	222,170
246,887,001 Ordinary shares of 0.1 pence each	246,887	-
	424,623	222,170

(a) On 3 October 2012, the shares were divided into 44,434,001 ordinary shares of 0.1 pence each and 44,434,001 deferred ordinary shares of 0.4 pence each.
On 26 October 2012 199,953,000 ordinary shares of 0.1 pence each were issued at 0.1 pence each.
On 18 April 2013 2,500,000 ordinary shares of 0.1 pence were issued at 0.3 pence each

15. SHARE CAPITAL (continued)

Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising returns to shareholders. It is the current strategy of the Group to finance its activities from existing equity and reserves and by the issue of new equity as required.

The Board's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Board manages the Group's affairs to achieve shareholders returns through capital growth and income.

Group capital comprises share capital and reserves.

Neither the Company nor its subsidiary are subject to externally imposed capital requirements.

16. RESERVES

(a) The Group

	Share Premium GBP	Fair value Reserve GBP	Accumulated Losses GBP	Total GBP
As at 1 September, 2011	206,090	264,682	(232,713)	238,059
Fair value changes of available for-sale financial assets	-	(41,710)	-	(41,710)
Loss for the year –	-	-	(140,582)	(140,582)
Other comprehensive income for the year - reclassification on disposal of available-for-sale financial assets	-	(124,774)	124,774	-
Total comprehensive loss for the year	-	(124,774)	(15,808)	(140,582)
As at 31 August 2012	206,090	98,198	(248,521)	55,767
Issuance of ordinary shares	5,000	-	-	5,000
Fair value changes of available for-sale financial assets	-	(76,263)	-	(76,263)
Total comprehensive loss for the year	-	-	(251,679)	(251,679)
As at 31 August 2013	£211,090	£21,935	£(500,200)	£(267,175)

16. RESERVES (continued)

(b) The Company

	Share Premium GBP	Fair value Reserve GBP	Accumulated Losses GBP	Total GBP
As at 1 September, 2011	206,090	264,682	(232,713)	238,059
Fair value changes of available for-sale financial assets	-	(41,710)	-	(41,710)
Loss for the year	-	-	(139,884)	(139,884)
Other comprehensive income for the year - reclassification on disposal of available-for-sale financial assets	-	(124,774)	124,774	-
Total comprehensive loss for the year	-	(124,774)	(15,110)	(139,884)
As at 31 August 2012	206,090	98,198	(247,823)	56,465
Issuance of ordinary shares	5,000	-	-	5,000
Fair value changes of available for-sale financial assets	-	(76,263)	-	(76,263)
Total comprehensive loss for the year	-	-	(187,290)	(187,290)
As at 31 August 2013	£211,090	£21,935	£(435,113)	£(202,088)

17. DIRECTORS' REMUNERATION AND DIRECTORS' INTERESTS

The directors had the following interests in shares of the Company at 31 August 2013 and 2012:

Directly and indirectly held by the directors		**2013**	**2012**
Lim Hui Jie	Ordinary shares	63,250,000	11,500,000

17. DIRECTORS' REMUNERATION AND DIRECTORS' INTERESTS (continued)

Details of the directors' annual remuneration are as follows:

		2013 GBP	2012 GBP
Robert Philip Painting	- compensation for loss of office	-	15,000
Paul Eugene Rewrie	- compensation for loss of office	-	10,174
Jonathan Bradley Hoare	- compensation for loss of office	-	4,346
Christopher Neo	- directors fee	10,410	-
Lim Hui Jie	- directors fee	5,246	-
Greg Collier	- directors fee	7,500	-
		£23,156	£29,520

18. RELATED PARTY TRANSACTIONS

As defined in International Accounting Standard 24 "Related Party Disclosures", parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related party transactions are transfers of resources or obligations between related parties, regardless of whether a price is charged.

Apart from the following related party transactions and balances, there were no other related party transactions incurred by the Group during the year:-

(a) Key management personnel remuneration
Remuneration for key management personnel of the Company, including amounts paid to the Company's directors as disclosed in note 17.

(b) Unsecured loans
On 26 November, 2010, the Company and other parties entered into a loan arrangement with Eclector Limited under which the Company lent Eclector £9,375. Full provision was charged to in the profit or loss against the carrying value of this loan in the year ended 31 August 2011.

19. NET ASSET VALUATION

The net asset valuation per share is calculated by dividing the net assets attributable to the equity holders of the Company at the end of the reporting period by the number of shares in issue.

	2013 GBP	2012 GBP
Net assets	£222,535	£278,635
Number of ordinary shares in issue	291,321,002	44,434,001
Net asset valuation per share	0.08 pence	0.6 pence

20. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk), credit risk, liquidity risk, cash flow interest rate risk and equity price risk.

Risk management is carried out by the Board of Directors.

(a) Market risk

(i) Foreign exchange risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in Sterling. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities.

(ii) Cash flow and fair value interest rate risk and sensitivity

The Group's cash and cash equivalents are invested at short-term market interest rates. There are no other financial assets and liabilities which are interest bearing. The Group is therefore not subject to significant cash flow or fair value interest rate risk and therefore a sensitivity analysis has not been provided.

(b) Credit risk

The Group's credit risk is primarily attributable to trade receivables and cash balances held with financial institutions. Management has a credit policy in place and the exposure to credit risk of trade receivables is monitored on an ongoing and regular basis while cash balances are held with high-credit-quality financial institutions.

In respect of trade receivables, individual credit evaluations are performed on all customers. These evaluations focus on the customers' past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of reporting period, trade receivables were due from the sole customer (2012: the sole customer).

The maximum exposure to credit risk without taking account of any collateral held is represented by the carrying amount of each financial asset in the statement of financial position after deducting any impairment allowance. The Group does not provide any guarantees which would expose the Group or the Company to credit risk.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims to maintain flexibility in funding.

20. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk - continued

The following table details the remaining contractural maturities at the reporting end date of the Group's and the Company's financial liabilities which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates) and the earliest date the Company can be required to pay: -

	Carrying amount GBP	Total contractual Undiscounted cash flow GBP	Within 1 year or on demand GBP	Carrying amount GBP	Total contractual Undiscounted cash flow GBP	Within 1 year or on demand GBP
Trade and other Payables	£29,822	£29,822	£29,822	£22,877	£22,877	£22,877
The Company						
Trade and other payables	29,822	29,822	29,822	22,179	22,179	22,179
Amount due to a Subsidiary	-	-	-	1	1	1
	£29,822	£29,822	£29,822	£22,180	£22,180	£22,180

(d) Equity price risk

The Group is exposed to equity price changes arising from equity investments classified as available-for-sale equity securities (note 10). These investments are unquoted or listed on either ISDX or Frankfurt Stock Exchange.

These investments are held for their investment potential and their performance is assessed regularly against performance of similar listed entities, together with an assessment of their relevance to the Group's objectives for creating further and higher shareholder value in near future.

At 31 August, 2013, it is estimated an increase/decrease of 5% in the relevant stock market index (for listed investments), the price/earning ratios of comparable listed companies (for unquoted investments) as applicable, with all other variables held constant, would have decreased/increased the Group's loss after tax (and accumulated losses) and other components of consolidated equity as follows:

20. FINANCIAL RISK MANAGEMENT (continued)

The Group	2013		2012		2011	
	Effect on loss after tax and accumulated losses GBP	Effect on other components of equity GBP	Effect on loss after tax and accumulated losses GBP	Effect on other components of equity GBP	Effect on loss after tax and accumulated losses GBP	Effect on other components of equity GBP
Change in the relevant equity price risk variable						
Increase	5% - 5,500	+3,200	5% - 6,000	+10,300	5% - 3,100	+23,900
Decrease	5% + 3,500	- 3,200	5% + 6,000	-10,300	5% + 3,100	-23,900

The sensitivity analysis indicates the instantaneous change in the Group's loss after tax (and accumulated losses) and other components of consolidated equity that would arise assuming that the changes in the stock market index or other relevant risk variables had occurred at the end of reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to equity price risk at the end of reporting period. The analysis is performed on the same basis for 2012.

e) Fair values

(i) Financial instruments carried at fair value

The following table presents the carrying value of financial instruments measured at fair value at the end of reporting period across the three levels of the fair value hierarchy defined in IFRS 7, Financial Instruments: Disclosures, with the fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

- Level 1 (highest level): fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments
- Level 2: fair values measured using quoted prices in active markets for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data
- Level 3 (lowest level): fair values measured using valuation techniques in which any significant input is not based on observable market data

	The Group and the Company			
	Level 1 GBP £	Level 2 GBP £	Level 3 GBP £	Total GBP £
Available-for-sale equity securities (listed)	£133,118	£ -	£ -	£133,118

(ii) Financial instruments not carried at fair value

The carrying amounts of the financial instruments carried at cost or amortised cost approximate to their fair value mainly because of the short maturity of those instruments.