

AEX GOLD LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2021

BALANCE SHEET
AS AT 28 FEBRUARY 2021

	Note	28 February 2021 \$	29 February 2020 \$
Fixed assets			
Investments	4	-	386,850
		-	386,850
Current assets			
Debtors		7,438,630	6
Cash at bank and in hand		16,780	16,780
		7,455,410	16,786
Creditors: amounts falling due within one year	5	(17,459)	(17,459)
Net current assets/(liabilities)		7,437,951	(673)
Total assets less current liabilities		7,437,951	386,177
Net assets		7,437,951	386,177
Capital and reserves			
Called up share capital		386,931	386,931
Profit and loss account		7,051,020	(754)
		7,437,951	386,177

BALANCE SHEET (CONTINUED)
AS AT 28 FEBRUARY 2021

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
J M Plant
Director

Date: 22 December 2021

The notes on pages 3 to 7 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021**

1. General information

AEX Gold Limited is a private Company limited by shares, domiciled in England and Wales, registration number 09646590. The registered office is 2-4 Cork Street, 1st Floor, London, W1S 3LB.

The principal activity of the Company during the continued to be that of mining and exploration.

Functional currency

The Company's functional and presentational currency is United States Dollar (\$).

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

After reviewing the Company's forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial information. The Company has continued to maintain a healthy cash reserve following the year end to ensure liabilities can be met as they fall due. The directors therefore believe the Company has the ability to continue as a going concern for the next 12 months.

The following principal accounting policies have been applied:

2.2 Going concern

The Company is supported by group members, which will continue to support the Company for a period of 12 months from the signing of the financial statements. On this basis, the Directors consider it appropriate to prepare the financial statements on the going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is United States Dollar (\$).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each year end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.4 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at transaction price, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at transaction price, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021**

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2020 - 2).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021**

4. Fixed asset investments

	Investments in subsidiary companies \$
At 1 March 2020	386,850
Disposals	(386,850)
At 28 February 2021	-
Net book value	
At 28 February 2021	-
At 29 February 2020	386,850

5. Creditors: Amounts falling due within one year

	28 February 2021 \$	29 February 2020 \$
Bank overdrafts	100	100
Amounts owed to group undertakings	17,359	17,359
	<u>17,459</u>	<u>17,459</u>

6. Related party transactions

The wholly owned subsidiaries of the other members of the group are exempt from the requirements of the Financial Reporting Standard 102, section 1AC.35 to disclose transactions.

7. Post balance sheet events

Covid-19 has been noted as an ongoing post balance sheet event. Please refer to the basis of preparation of financial statements accounting policy at 2.1 for further information.

There have been no other significant events affecting the Company since the year end.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021**

8. Controlling party

The Company's immediate parent is FBC Mining (Holdings) Limited. The parent Company preparing consolidated accounts for the smallest Group of which the Company is a member is FBC Holdings SARL, a Company incorporated in Luxembourg, the registered office for which is 46A, Avenue J.F. Kennedy L, 1855, Luxembourg.

9. Auditors' Information

The auditors' report on the financial statements for the year ended 28 February 2021 was unqualified.

The audit report was signed on 22 December 2021 by Shiran Wynter ACA (Senior Statutory Auditor) on behalf of MHA MacIntyre Hudson.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.