TSAM Limited

Annual Report and Financial Statements

31 December 2020

GCB Malta Ltd
Certified Public Accountants

Company Reg No: C 71793

	Pages

Registration
TSAM Limited is registered in Malta as a Limited Liability company under the Companies Act, (Cap. 386) with registration number C 71793.

Directors

Mr. Anthony Debono	- Appointed 15 January 2020
Mr. Gordon Dimech	
Mr. Robert Gonzi	- Resigned 2 July 2020
Mr. Matthew Abela	- Appointed 22 July 2020
Mr. Mario Micallef	- Appointed 2 July 2020
Mr. Anthony Rizzo	- Resigned 15 January 2021

Company secretary
Mr. Anthony Debono

Registered office
The Scouts Association of Malta
Island headquarters
Congreve-Bernard Memorial hall
Sarria Street
Floriana FRN 1480

Auditors
GCB Malta Limited
No. 27
Triq G. Grech Delicata
Birkirkara, BKR 4467
Malta

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- adopt the going concern basis unless it is inappropriate to presume that the Company will continue in the business;
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relating to the accounting period on the accruals basis;
- value separately the components of asset and liability items; and
- report comparative figures corresponding to those of the preceding accounting period.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act (Cap. 386) enacted in Malta. This responsibility includes designing, implementing and maintaining such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TSAM Limited

Income statement

For the year ended 31 December 2020

	Notes	2020 €	2019 €
Revenue	2	**151,798**	154,660
Administration expenses		**(149,801)**	(142,447)
Finance costs		**(335)**	(266)
Profit for the year before taxation		**1,662**	11,947
Taxation	4	**(515)**	(4,181)
Profit for the year after taxation		**1,147**	7,766

TSAM Limited

Balance Sheet

As at 31 December 2020

	Notes	2020	2019
		€	€
ASSETS			
Non-current assets			
Property, plant and equipment	5	**36,302**	-
		36,302	-
Current assets			
Trade and other receivables	6	**13,973**	214
Cash and cash equivalents	10	**59,264**	90,601
		73,237	90,815
Total assets		**109,539**	90,815
EQUITY AND LIABILITIES			
Equity			
Ordinary shares	7	**1,200**	1,200
Retained earnings		**14,470**	13,323
Total equity		**15,670**	14,523
Liabilities			
Non-current liabilities			
Long term borrowings	8	**34,639**	33,735
		-	-
		34,639	33,735
Current Liabilities			
Trade and other amounts payable	9	**55,872**	35,492
Company taxation		**3,358**	7,065
Total Liabilities		**93,869**	76,292
Total equity and liabilities		**109,539**	90,815

The financial statements set out on pages 3 to 12 were approved for issue by the Board and signed on its behalf by:

Mr. Matthew Abela
Director

Mr. Gordon Dimech
Director

Date: 25 June 2021

1 Basis of preparation

1.1 Basis of measurement and statement of compliance

The financial statements of TSAM LIMITED ("the Company") have been prepared in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-Sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations ("GAPSME"). The financial statements have been prepared on the historical cost basis except for land and buildings which are stated at their revalued amount. These financial statements present information about the Company as an individual undertaking.

1.2 Functional and presentation currency

The financial statements are presented in Euro, which is the Company's functional currency.

2 Significant accounting policies

2.1 Property, plant and equipment

Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that the future economic benefits that are associated with the asset will flow to the entity and the cost can be measured reliably. Property, plant and equipment are initially measured at cost comprising the purchase price, any costs directly attributable to bringing the assets to a working condition for their intended use, and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure is capitalised as part of the cost of property, plant and equipment only if it enhances the economic benefits of an asset in excess of the previously assessed standard of performance, or it replaces or restores a component that has been separately depreciated over its useful life.

After initial recognition, property, plant and equipment may be carried under the cost model, that is at cost less any accumulated depreciation and any accumulated impairment losses, or under the revaluation model, that is at their fair value at the date of the revaluation less any accumulated depreciation and any accumulated impairment losses.

After initial recognition, land and buildings are carried under the revaluation model while other items of property, plant and equipment are carried under the cost model. Revaluations are made for the entire class of land and buildings at least every five years or with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. 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.

2 Significant accounting policies (continued)

2.1 Property, plant and equipment (continued)

Depreciation

Depreciation is calculated to write down the carrying amount of the asset on a systematic basis over its expected useful life. Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) or the date that the asset is derecognised. The depreciation charge for each period is recognised in profit or loss.

Land is not depreciated. The rates of depreciation used for other items of property, plant and equipment are the following:

- Plant & Machinery - 10% per annum straight line
- Office Equipment - 20% per annum straight line
- Building & Improvements - 4% per annum straight line

Depreciation method, useful life and residual value

The depreciation method applied, the residual value and the useful life are reviewed on a regular basis and when necessary, revised with the effect of any changes in estimate being accounted for prospectively.

Derecognition of property, plant and equipment

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains and losses arising from derecognition represent the difference between the net proceeds (if any) and the carrying amount and are included in profit or loss in the period of derecognition.

2.2 Investment in associate

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the associate but is not control or joint control over those policies.

An investment in an associate is initially measured at cost. After initial recognition, the investment in associate is measured using the cost method.

Under the cost method, the investment is measured at cost less accumulated impairment losses. Distributions received from the associate are recognised as investment income in profit or loss when the Company's right to receive the dividend is established

2 Significant accounting policies (continued)

2.3 Financial assets, financial liabilities and equity

A financial asset or a financial liability is recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially recognised at their fair value plus in the case of financial assets and financial liabilities not classified as held for trading and subsequently measured at fair value, transaction costs attributable to the acquisition or issue of the financial assets and financial liabilities.

Financial assets and financial liabilities are derecognised if and to the extent that, it is no longer probable that any future economic benefits associated with the item will flow to or from the entity.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

A financial instrument, or its component parts, is classified as a financial liability, financial asset or an equity instrument in accordance with the substance of the contractual arrangement rather than its legal form.

i. *Trade and other receivables*

Trade and other receivables are stated at their nominal value unless the effect of discounting is material in which case trade and other receivables are measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence of impairment;

ii. *Investments*

Available for sale (the 'AFSs') financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified as loans & receivables, held to maturity or held for trading investments. After initial recognition, the Company carries its AFS investments under the cost model. Impairment losses (where applicable) and foreign exchange gains and losses on available for sale investments are recognised in profit or loss. Interest, if any, on AFS financial assets, calculated using the effective interest method is recognised in profit or loss and included within the line item investment income. Dividends on available for sale equity instruments are recognised in profit or loss when the entity's right to receive payment is established.

iii. *Trade and other payables (excluding non-financial liabilities included in this line item)*

Trade and other payables are stated at their nominal value unless the effect of discounting is material, in which case trade and other payables are measured at amortised cost using the effective interest method.

iv. *Bank borrowings*

Subsequent to initial recognition, interest bearing loans are measured at the amortised cost using the effective interest method. Bank loans are carried at their face value due to their market rate of interest.

Subsequent to initial recognition, interest bearing bank overdrafts are carried at their face value due to their short term maturities.

v. *Loan from parent company*

The Company's loan from parent company is initially measured at fair value plus transaction costs that are directly attributable to the issue of the loan. After initial recognition, the Company's loan from parent company is measured at amortised cost.

vi. *Share capital issued by the Company*

Ordinary shares issued by the Company are classified as equity. Dividends to ordinary shareholders are debited directly to equity and are recognised as liabilities in the period in which they are declared.

2 Significant accounting policies (continued)

2.4 Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour and a proportion of fixed and variable production overheads that are incurred in converting materials into finished goods, based on the normal level of activity. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the costs to be incurred in marketing, selling and distribution.

2.5 Impairment

The Company's property, plant and equipment, intangible assets, investment in associate and financial assets are tested for impairment.

i. Property, plant and equipment and investment in associate

The carrying amounts of the Company's property, plant and equipment and investment in associate are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised and the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation decrease to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that asset.

The carrying amounts of Company's assets are also reviewed at each balance sheet date to determine whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss previously recognised is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment reversals are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation increase unless an impairment loss on the same asset was previously recognised in profit or loss.

ii. Financial assets

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost or cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The amount of the loss is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost/cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

2 Significant accounting policies (continued)

2.6 Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term investments that are held to meet short-term cash commitments rather than for investment or other purposes. Bank overdrafts, which are repayable on demand and form an integral part of the Company's cash management, and are presented in current liabilities in the balance sheet.

2.7 Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that the tax arises from a transaction or event which is recognised directly in equity, in which case it is recognised in equity.

Current tax is based on the taxable profit for the 2019, as determined in accordance with tax laws, and measured using tax rates, which have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The Company recognises a deferred tax liability in respect of all taxable temporary differences and a deferred tax asset in respect of all deductible temporary differences except to the extent that such deferred tax liability arises from the initial recognition of goodwill or the deferred tax asset/liability arises from the initial recognition of an asset or liability which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (loss). Recognition of a deferred tax asset is however limited to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The Company re-assesses any unrecognised deferred tax asset at each balance sheet date to determine whether future taxable profit has become probable that allows the deferred tax asset to be recovered.

2.8 Income

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, the inflow of economic benefits associated with the transaction is probable. Revenue is measured at the fair value of the consideration received or receivable, net of any trade discounts and volume rebates allowed by the entity.

Rendering of services

Revenue from membership fees is recognised when the outcome of the transaction can be estimated reliably. Revenue from the provision of personal training services and fitness classes is recognised when the services are rendered.

Interest income

Interest income is recognised when the inflow of economic benefits associated with the transaction is probable and the amount of income can be measured reliably. Interest income is recognised on an accrual or time proportion basis.

2 Significant accounting policies (continued)

2.9 Government grants

Government grants are assistance by government, inter-governmental agencies and similar bodies whether local, national or international, in the form of cash or transfers of assets to the Company in return for past or future compliance with certain conditions relating to operating activities of the Company. Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants received during the year relate to the acquisition of gymnasium equipment classified as property, plant and equipment and are presented in the statement of financial position as deferred income, which is recognised as income on a systematic basis over the useful life of the asset.

2.10 Borrowing costs

Borrowing costs, including those costs that are directly attributable to the acquisition, construction or production of qualifying assets, are recognised as an expense in profit or loss in the period in which they are incurred.

2.11 Employee benefits

The Company contributes towards the state pension in accordance with local legislation. The only obligation of the Company is to make the required contributions. Costs are expensed in the period in which they are incurred.

2.12 Foreign currencies

Transactions denominated in foreign currencies are converted to the functional currency at the rates of exchange ruling on the dates on which the transactions first qualify for recognition. Monetary assets and monetary liabilities denominated in foreign currencies at balance sheet date are translated at 2019 end closing rates of exchange. Any exchange differences arising on the settlement of monetary assets and monetary liabilities, or on translating foreign denominated monetary assets and liabilities at the balance sheet date at rates different from those at which they were previously translated, are recognised in profit or loss.

3 Profit before tax

3.1 *Total remuneration paid to the Company's auditors is as follows:*

	2020	2019
	€	€
Auditors' fees	**1,200**	1,200

3.2 The average number of persons employed by the Company during the 2020 were 2 (2018: 4).

4 Taxation

Provision for Malta income tax has been made in these accounts at the rate of 35% on the taxable profits for the year less tax losses brought forward from previous years. The tax on the company's profit before tax differs from the theoretical amount that would arising using the basic tax rate as follows:

	2020	2019
	€	€
Taxable profit for the year	**1,662**	11,947
	-	-
Taxable profit after utilisation of tax losses	**1,662**	11,947
Tax charge on ordinary activities at 35%	**582**	4,181
Tax effect on:		
Timing differences	**(67)**	-
Tax charge to profit and loss account	**515**	4,181

5 Plant and equipment

	Equipment	**Total**
	€	€
Cost		
At 1 January 2019	3,620	3,620
Additions	38,459	38,459
At 31 December 2019	42,079	42,079
Depreciation		
At 1 January 2019	3,620	3,620
Depreciation	2,157	2,157
At 31 December 2019	5,777	5,777
Net book value		
At 31 December 2020	**36,302**	**36,302**
At 31 December 2019	-	-

6 Trade and other receivables

	2020	2019
	€	€
Trade receivables	**4,982**	214
Accrued income / prepayments	**8,991**	-
	13,973	214

7 Ordinary shares

	2020	2019
	€	€
Authorised		
4,000 Ordinary share of €1 each	**4,000**	4,000
Issued and fully paid		
1,200 ordinary shares of € 1 each	**1,200**	1,200

8 Non - Current Liabilities

Borrowings included under non-current liabilities on the balance sheet comprise the following amounts:

	2020	2019
	€	€
Loan from related parties - Note	**34,639**	33,735
	34,639	33,735

Note - The balance with the related parties are unsecured, interest free and have no fixed date of repayment.

9 Current Liabilities

	2020	2019
	€	€
Trade payables	**54,881**	1,673
Other payables	**-**	318
Accrued expenses	**991**	33,501
	55,872	35,492

10 Analysis of cash and cash equivalents

	2020	2019
	€	€
Movement in cash and cash equivalents:		
Cash at bank	**90,601**	66,630
Net movement during the period	**(31,337)**	23,971
Balance at 31 December	**59,264**	90,601
Analysis of changes in cash and cash equivalents		
Balances at 1 January	**90,601**	66,630
Movement during the year	**(31,337)**	23,971
Balance at 31 December	**59,264**	90,601

Report on the Audit of the Financial Statements

We have audited the financial statements of TSAM LIMITED, set out on pages 3 to 12, which comprise the balance sheet as at 31 December 2020, the income statement, and notes to the financial statements, including a summary of significant accounting policies.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the balance sheet of the Company as at 31 December 2020, and of its financial performance for the year then ended in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations(GAPSME) and have been properly prepared in accordance with the requirements of the Companies Act (Cap. 386).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the general information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with GAPSME, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

> Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

> Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

> Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

> Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

> Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

We also have responsibilities under the Maltese Companies Act, (Cap 386) to report to you, if in our opinion:

> Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.
> The financial statements are not in agreement with the accounting records and returns.
> We have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these responsibilities.

Gabriele Brincat for and on behalf of
GCB Malta Limited - AB/2/21/05
No. 27
Triq G. Grech Delicata
Birkirkara, BKR4467
Malta
Date: 25 June 2021

Supplementary schedules

Trading and profit and loss account

	Page	2020 €	2019 €
Revenue		**151,798**	154,660
Administrative expenses	18	**(149,801)**	(142,447)
Finance costs	18	**(335)**	(266)
Profit for the year before taxation		**1,662**	11,947

Administrative expenses

	Page	2020	2019
		€	€
Wages and salaries		**51,848**	52,242
Fines and penalties		**1,498**	-
Travelling costs		-	125
Accountancy costs		**5,460**	5,460
Audit fees		**775**	775
Miscellaneous costs		**3,527**	2,961
Utility costs		**382**	1,851
Professional fees		**4,978**	31,500
Registration fees		**140**	140
Insurance costs		**2,324**	-
Ground rent		**15,959**	8,000
Maintenance costs		-	2,258
IT expenses		**6,598**	6,590
Campsite upkeep		**28,048**	22,256
Campsite utilities		**20,071**	6,988
Advertising		**299**	191
Cleaning		**5,737**	205
Depreciation		**2,157**	905
Total administrative expenses	17	**149,801**	142,447

Finance costs

	Page	2020	2019
		€	€
Bank charges		**335**	266
Total finance costs	17	**335**	266

Statement of changes in equity

	Ordinary shares €	Retained earnings €	Total €
Balance at 1 January 2019	1,200	5,557	6,757
Profit for the period		7,766	7,766
Balance at 31 December 2019	1,200	13,323	14,523
Balance at 1 January 2020	1,200	13,323	14,523
Profit for the year		1,147	1,147
Balance at 31 December 2020	**1,200**	**14,470**	**15,670**

Cash flow statement

	Note	2020 €	2019 €
Cash generated from operating activities		**11,344**	23,971
Taxation paid		**(13,146)**	
Purchase of fixed assets		**(38,459)**	
		(40,261)	23,971
Cash flow from investing activities			
Loan advanced from related entity		-	-
Increase in cash and cash equivalents		**(40,261)**	23,971
Balance at beginning of year		**90,601**	66,630
Balance at 31 December	10	**50,340**	90,601

Reconciliation of operating profit to		
Cash generated from operating activities		
Operating profit	**1,662**	11,947
Depreciation	**2,157**	905
Movement in working capital:		
Movement in receivables	**(13,759)**	(214)
Movement in other payables	**21,284**	11,333
Cash generated from operating activities	**11,344**	23,971