REGISTERED NUMBER: 00255647 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

FOR

BWA GROUP PLC

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTORS:	R G Battersby J M V Butterfield M A Borrelli J Hogg
SECRETARY:	J M V Butterfield
REGISTERED OFFICE:	One Bartholomew Close London EC1A 7BL
REGISTERED NUMBER:	00255647 (England and Wales)
INDEPENDENT AUDITOR:	MHA MacIntyre Hudson 2 London Wall Place London EC2Y 5AU
SOLICITORS:	Bircham Dyson Bell LLP 50 Broadway Westminster London SW1H 0BL

The directors present their strategic report for the year ended 31 December 2020.

PRINCIPAL ACTIVITY
The principal activity of the company during the current and preceding period was that of an investment portfolio company.

REVIEW OF BUSINESS
The Company's main investments are a 90% interest in BWA Resources (UK) Limited, which owns 100% of BWA Resources Cameroon Limited, the holder of two exploration licences for rutile sands in Cameroon and a 100% interest in Kings of The North Corp ("KOTN"), an exploration company with licences in Ontario and Quebec in Canada.

As the Company's investment strategy is now focussed toward early stage mining investments with effect from 1 June 2020 Mr James Hogg, a qualified geologist and managing director of Addison Mining Services Limited, has been appointed a director of the Company.

The UK Government's response to the Covid pandemic included making available "Business Bounce Back" unsecured loans to affected companies. The Company arranged a loan of £50,000 in May 2020. This loan is interest free for the first twelve months and is either repayable in May 2021 or by equal instalments from May 2021 over five or ten years at a rate of 2.5% p.a.

In December 2020 3,000,000 common shares in St Georges Eco-Mining Corp ("St Georges"), held by KOTN, were transferred to the Company at middle market price of C$0.10 per share, equivalent to approximately £170,000 on account of monies due to the Company by KOTN.

The Cameroon activity, although impacted by the Covid pandemic has the benefit of locally based management, which has enabled the business there to develop, although at a slower rate than anticipated. A report on surface sampling at the Dehane claim, which is part of the BWA Resources investment, was issued on 15 January 2021 for work carried out in November and December 2020. This report is available on the company website (www.bwagroupplc.com). Our conclusion to that report was that the initial geochemical test results for the Dehane licence are encouraging and supportive of BWA's long-held view of the prospectivity for rutile mineralisation in the Nyong river system. These results, albeit of a limited nature, do demonstrate the presence of titanium, zircon and aluminium compounds at levels of potential economic interest within interpreted extensive depositional environments along the prospective Nyong river system contained within the licence. We become increasingly attracted by our investment in Cameroon. Accordingly, we have commissioned further testing at both Dehane and Nkoteng and will be publishing the results in due course. We await the issue of the three additional licences in Cameroon for which we have applied.

On 24 August 2020, the Company announced it had reached a conditional agreement with St Georges to sell the Company's 100% interest in Kings of the North Corp ("KOTN") back to St Georges, the original vendor. The signed agreement specified an expected completion date of 31 August 2020, but St Georges were unable to comply with the completion conditions, despite several extensions of the completion date up to 27 November 2020, On that date the Board concluded St Georges had withdrawn from the transaction and resolved to seek alternative directions for the investment.

Having further reviewed in depth the licences, agreements and options held by KOTN, the Board concluded there are significant deficiencies in the rights attaching to the licences existing in KOTN at the date of completion of the original acquisition on 1 October 2019. Accordingly, a provision of £3.3 million has been made against the carrying value of the investment in KOTN. Having reviewed, with its legal advisers, the Board has informed St Georges and certain of its directors and former directors of claims under the warranties contained in the original purchase agreement and otherwise to recover at least the value of the investment write down and related costs.

The Company views the investments in Mineralfields Group Limited and BWA Resources UK Limited as one unit representing the interest of those companies in the activities in Cameroon and had valued them accordingly as set out in previous reports. In the absence of a sufficiently reliable estimate of fair value being able to be determined for these Cameroon investments, the directors are required under accounting standards to carry these investments separately at cost less provision for impairment. This means that a provision of £0.3 million has been required to be made against the investment in Mineralfields Group Limited. This is a technical adjustment and does not reflect the Board's view of the underlying value of the investment in BWA Resources UK Limited and Mineralfields Group Limited if valued together.

REVIEW OF BUSINESS – continued

Throughout the period the directors have been mindful of their obligations under S172 of the Companies Act 2006, which sets out a number of principles the board should have regard to in promoting the success of the Company for the benefit of the shareholders. The board have complied with this requirement as follows:

Principle	Company's Actions
Have regard to the likely consequences of any decision in the long term	The board has a strategic vision and continues to evaluate potential transactions for the benefit of members
Have regard to the interests of the Company's employees	The Company does not currently have any employees
Have regard to the need to foster the Company's business relationships with suppliers, customers and others	The Company is currently in the evaluation phase of the investment process and its key relationships are currently with its suppliers. The company maintains good contacts with a very limited range of suppliers as all development work is carried out in the investee companies. It endeavours to treat all suppliers fairly
Have regard to the impact of the Company's operations on the community and on the environment	The Company's operations are currently limited as is its impact on the community and environment
Have regard to the desirability of the Company maintaining a reputation for high standards of business conduct	As a company listed on the Aquis Exchange Growth Market, it is seeking opportunities to further its principal activity. The Company and board maintain high standards when dealing with potential business opportunities
Have regard to the need to act fairly between members of the Company	The Company has a diverse shareholder base and the board ensure that no one member's interests take priority over another

KEY PERFORMANCE INDICATOR

The key performance indicator of the company is the valuation of its investment portfolio. At 31 December 2020 the value of the company's portfolio was £1,813,948 (2019: £5,179,414).

PRINCIPAL RISKS AND UNCERTAINTIES

The risks inherent in the company's investment activities are kept under constant review by the Board. The following risks have been identified as capable of affecting the value of the company's investments:

- Investment risk is the risk of investing cash and resources on projects which may not provide a return. The company addresses this risk by using its skills and experience as well as the knowledge of local management to invest in established ventures which contain profitable assets and/or the most promising development potential. The ongoing issues relating to the company's investment in Kings Of The North Corp are detailed in the Business Review and note 11 of the financial statements.

- The main type of financial risk faced by the company is liquidity risk. Liquidity risk is the risk of insufficient working and investment capital. The company's aim is to finance its investment activities from cash flow but in the early stages the business will seek to raise additional funding if required.

INTERNAL FINANCIAL CONTROL AND RISK MANAGEMENT

The directors are responsible for the company's system of internal financial control and also for identifying the major business risks faced by the company. The system of internal financial control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss. In fulfilling these responsibilities, the Board has reviewed the effectiveness of the system of internal financial control. The directors have established procedures for planning, budgeting and for monitoring, on a regular basis, the performance of the company and for determining the appropriate course of action to manage any major business risks. The Board has considered the need for an internal audit function but has decided the size of the company does not justify it at present. However it will keep the decision under annual review.

FINANCIAL RISK MANAGEMENT

Information relating to the company's financial risk management is set out on page 23 of the financial statements.

FUTURE DEVELOPMENTS

The directors will use their experience to identify appropriate targets, carry out due diligence and negotiate acquisitions and investments. When appropriate, the directors may consider further fundraising to provide additional resources for the company ahead of such an acquisition or investment.

POST BALANCE SHEET EVENTS

Subsequent to the year-end further development work has continued on both the sites in Cameroon with a further encouraging report of the Nkoteng site being announced on 26 April 2021.

Also subsequent to the year end the Company sold the 3,000,000 shares in St Georges for a realisation value of £492,000.

Details of these post balance sheet events are set out in Note 19 on page 32.

This report was approved by the Board of directors on 15 June 2021 and signed on its behalf by:

R G Battersby - Director

Date: 15 June 2021

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

DIVIDENDS
No dividends will be distributed for the year ended 31 December 2020 (period ended 31 December 2019: none).

DIRECTORS
The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

R G Battersby
J M V Butterfield
M A Borrelli

J Hogg was appointed as a director on 8 June 2020.

The beneficial interests of the directors holding office on 31 December 2020 in the issued share capital of the company were as follows:

	31 December 2020	31 December 2019
Ordinary 0.5p shares		
R G Battersby	49,077,241	43,118,942
J M V Butterfield	47,753,074	42,575,301
M A Borrelli	28,158,226	25,202,618
J Hogg	466,666	-

Details of options held by the Directors are set out in note 21.

SUBSTANTIAL SHAREHOLDINGS
Other than the interests of the directors disclosed above and save as disclosed below, the directors are not aware of any other individual interest or group of interests held by persons acting together which, at the date of this report, exceeds 3% of the company's issued share capital.

	Number	%
Ordinary 0.5p shares		
St-Georges Eco Mining Corp	60,000,000	19.65
Tri Castle Investments Limited	20,000,000	6.55
C Tremblay	16,403,200	5.37
Early Equity Plc	12,025,860	3.94

GOING CONCERN
These financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

At 31 December 2020, the company had net current liabilities of £16,197 and net assets of £1,753,268. The loss for the year of £3,639,134 is stated after a write down of £3.3m in the value of the investment in Kings Of The North Corp.

The directors have reviewed cash flow forecasts under various scenarios, which show the Company to have sufficient resources to remain a going concern, subject to:

- The timing of income and expenditure cash flows and realisation of other investments.
- Amounts arising post year end owed to subsidiary companies being deferred and not being required for repayment until the Company has surplus cash resources to make payment.
- The level of cash investment required by the investment portfolio and sufficient resources being available, either through income streams detailed above and successful fundraising being achieved from investors to fund these development activities.

The directors have a reasonable expectation that the Company will have adequate resources to continue in business for the foreseeable future and are of the opinion that it is appropriate for the accounts to be prepared on the going concern basis, although acknowledge that material uncertainties as detailed above exist at the time of approval of these financial statements, which may cast significant doubt on the entity's ability to continue as a going concern.

CORPORATE GOVERNANCE

The company is listed on the Aquis Exchange Growth Market and is therefore not subject to the provisions of the UK Corporate Governance Code or the disclosure requirements of the exchange.

It is intended to establish governance procedures and policies that the Board consider appropriate to the nature and size of the company as the company's projects develop. The Board have established an Audit Committee chaired by Alex Borrelli and a Remuneration Committee chaired by James Butterfield.

FUTURE DEVELOPMENTS

Information on these issues is included in the Strategic Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- state whether applicable UK Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, have been followed subject to any material departures disclosed and explained in the financial statements.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

AUDITORS

MHA MacIntyre Hudson have expressed their willingness to remain in office as auditors of the company.

This report was approved by the Board of directors on 15 June 2021 and signed on its behalf by

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R G Battersby - Director

Date: 15 June 2021

For the purpose of this report, the terms "we" and "our" denote MHA MacIntyre Hudson in relation to UK legal, professional and regulatory responsibilities and reporting obligations to the members of BWA Group Plc. For the purposes of the table on pages 8 to 10 that sets out the key audit matters and how our audit addressed the key audit matters, the terms "we" and "our" refer to MHA MacIntyre Hudson and/or our component teams. The relevant legislation governing the Company is the United Kingdom Companies Act 2006 ("Companies Act 2006").

Opinion

We have audited the financial statements of BWA Group Plc. The financial statements that we have audited comprise the:

- Income Statement
- Statement of Other Comprehensive Income
- Balance Sheet
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes 1 to 22 of the financial statements, including the accounting policies

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and the Company's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (FRS102) in conformity with the requirements of the Companies Act 2006; and
- The financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Our opinion is consistent with our reporting to the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 3 in the financial statements, which indicates that for the Company to continue as a going concern, it will likely need to perform additional fundraising or realise certain investment assets in the next 12 months. As stated in note 3, these events or conditions indicate that a material uncertainty exists that may cast significant doubt over the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included:

- The consideration of inherent risks to the Company's operations and specifically its business model and its ongoing cash requirements.
- The evaluation of how those risks might impact on the Company's available financial resources and the need for additional fund raising.
- Where additional resources may be required the reasonableness and practicality of the assumptions made by the Directors when assessing the probability and likelihood of those resources becoming available.
- Liquidity considerations including examination of cash flow projections.
- Solvency considerations including examination of budgets and forecasts and their basis of preparation.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Overview of our audit approach

Materiality	2020	2019	
Company	£44K	£129K	2.5% of net assets (2019: 2.5%)

Key Audit Matters	
Event driven	• Impairment provision against the Kings of the North investment and measurement of contingent assets and liabilities in respect of claims being made between the Company and the vendors
Recurring	• Non-consolidation of investments in subsidiaries • Valuation of other investments • Validity of transactions with subsidiaries and recoverability of intercompany debtors

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those matters which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Kings of the North Corp ("KOTN") investment

Key audit matter description	The investment in KOTN was acquired in September 2019 from St-Georges Eco-Mining Corp ("St Georges") settled by an issue of convertible loan notes and equity. Subsequent investigations by management of the Company revealed deficiencies in the title in three of the exploratory licence areas acquired within the company where on investigation, it appeared that these licences had expired. As a result, claims for restitution have been made against St Georges and certain of its directors, which included the potential sale back of the investment to St Georges for cancellation of the loan notes/shares issued on acquisition. The potential sale back has failed to be concluded and claims for restitution are ongoing. At the same time, certain counterclaims have been made by St Georges for monies it claims are due to it which the company has refuted. It is the entity's policy to carry investments at fair value through profit and loss. In the absence of a reliable fair value estimate in respect of KOTN, this investment has been carried at cost. An impairment against the cost on acquisition has been made in respect of the licences which had expired.
How the scope of our audit responded to the key audit matter	Our procedures included: • We discussed with management the updated position with regard to ongoing discussions with St Georges to resolve the situation. • We challenged management on the impairment provision proposed in light of the expired licences to ensure the impairment reflected the value assigned at acquisition. • We challenged management to provide support for the existence and valuation of the remaining licences held by KOTN. • We reviewed and considered the remaining asset base of KOTN in respect of other impairment indicators. • We reviewed legal advice received by management in respect of the counterclaim received from St Georges to assess the likelihood of a liability arising from the claim. • We ensured that the disclosures in the financial statements surrounding the impairment of the investment and the dispute with St Georges are adequate.

Kings of the North Corp ("KOTN") investment (continued)

Key observations	We concluded that management's assessment that a reliable fair value estimate in respect of KOTN was not possible and that cost less impairment was an appropriate measurement was reasonable. We concluded that the impairment charge estimated by management was not unreasonable based on the status of the remaining exploratory licences held and the entity's ability in the time remaining to renew, develop or sell those licences. We further concluded based on probability that no contingent asset or liability should be recorded in respect of the dispute with St Georges and its directors and that adequate disclosure surrounding the situation had been made.

Non-consolidation of investments in subsidiaries

Key audit matter description	The Company holds majority investments in a number of entities which would normally be classified as subsidiaries in accordance with FRS102. Management have instead applied the exemption under section 9.9b of FRS102 for subsidiaries held exclusively with a view to subsequent resale and opted not to consolidate these entities on the basis that they are managed as part of a portfolio of investments. These investments are instead measured in the financial statements at fair value through profit and loss unless a reliable estimate of fair value cannot be made, in which case they are valued at cost less impairment.
How the scope of our audit responded to the key audit matter	We held discussions with the directors to ensure there had been no change in the Company's approach to the development of the investments, including the intention to sell. We considered whether management's assertion that the Company was not actively involved in operational or strategic decision making at the subsidiary level remained reasonable.
Key observations	We concluded that the principal activity of the entity was to manage a portfolio of investments, and that the Company's involvement with the operations of the subsidiaries did not invalidate the applicability of the exemption under section 9.9b of FRS102.

Valuation of other investments

Key audit matter description	The Company holds its investments in subsidiaries at fair value in accordance with FRS102 section 9.9C. The Company's policy is to measure these at fair value through profit or loss unless fair value cannot accurately be estimated, in which case the investments are held at cost less impairment. The measurement criteria used in determining the fair value of the remaining investments may be inappropriate which could result in the values reported being materially misstated.

How the scope of our audit responded to the key audit matter	Our procedures included:
	• We challenged management's assessment of fair value for those instruments held at fair value by:
	    o agreeing to closing market price in respect of listed investments.
	    o agreeing to most recent valuations for unlisted investments.
	    o assessing whether those most recent valuations were reasonable in light of current facts and circumstances.
	• We challenged management in respect of those investments held at a measurement other than fair value, the circumstances why fair value could not be reliably estimated.
	• We reviewed and considered in respect of the investments held at cost less impairment whether there were any potential indicators of impairment and where impairment was necessary, adequate provision had been made.
	• We ensured that the disclosures in the financial statements with regard to measurement were accurate and adequate.

Key observations	We concluded that other investments are appropriately valued in these financial statements, and disclosure in respect of the measurement is adequate.

Validity of transactions with subsidiaries and recoverability of intercompany debtors

Key audit matter description	The Company receives management charges from certain of its subsidiary investment portfolio companies. Certain of these amounts remain outstanding as at the year end and others have been settled through the transfer of assets during the year.
How the scope of our audit responded to the key audit matter	Our procedures included: • We agreed levels of management charges to underlying agreements. • Where there was no underlying agreement, we verified the amount charged to invoice and confirmation from the receiving entity. • In respect of balances settled during the period through the transfer of quoted shares as opposed to cash settled, we confirmed the fair value of the shares to quoted price at time of transfer were of the same value as the debt cleared and obtained evidence to support the beneficial interest in the shares had been transferred. • In respect of balances outstanding at the year end which remained unpaid post year end, we challenged management's assessment of recoverability and their assessment of expected future performance of the debtor entity in generating sufficient resources to pay. • We considered whether the receivables were appropriately presented in the financial statements and whether the disclosures were sufficient.
Key observations	We have concluded that the transactions with subsidiaries were supported and no provision was required in respect of amounts which remained outstanding.

Our application of materiality

Our definition of materiality considers the value of error or omission on the financial statements that, individually or in aggregate, would change or influence the economic decision of a reasonably knowledgeable user of those financial statements. Misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole. Materiality is used in planning the scope of our work, executing that work and evaluating the results.

Materiality in respect of the Company was set at £44K (2019: £129k) which was determined on the basis of 2.5% of net assets. Net assets was selected as the benchmark for materiality due to the Company's dependence on investment performance and their valuations which are a key driver for the business.

Performance materiality is the application of materiality at the individual account or balance level, set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Performance materiality for the Company was set at £31K (2019: £90K) which represents 70% (2019 – 70%) of the above materiality levels.

The determination of performance materiality reflects our assessment of the risk of undetected errors existing, the nature of the systems and controls, the impact of there being a number of components and locations and the level of misstatements arising in previous audits.

We agreed to report any corrected or uncorrected adjustments exceeding £2,200 to the audit committee as well as differences below this threshold that in our view warranted reporting on qualitative grounds.

The scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement.

Reporting on other information

The directors are responsible for the other information. The other information comprises the Strategic Report and Report of the Directors. Our opinion of the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received by branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Auditor's responsibilities for the audit of the financial statements (continued)

The specific procedures carried out for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the Company operates in, focusing on those laws and regulations that had a direct effect on the financial statements. The key laws and regulations we considered in this context included Companies Act 2006 and applicable tax legislation;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Enquiry of management around actual and potential litigation and claims;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud;
- Reviewing minutes of meetings of those charged with governance;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business including transactions with their subsidiary portfolio investment companies, and reviewing accounting estimates for bias; and
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular with respect to valuation of investments and potential impairment of current assets

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

Other requirements

We were appointed by the Directors on 7 October 2019. The period of total interrupted engagement included previous renewals and reappointments of the firm is 3 years.

We did not provide any non audit services which are prohibited by the FRC's Ethical Standard to the Company and we remain independent of the Company in conducting our audit.

Use of our report

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 we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RShaunak

Rakesh Shaunak FCA (Senior Statutory Auditor)
for and on behalf of MHA MacIntyre Hudson
Chartered Accountants and Statutory Auditor
London

16 June 2021

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Year Ended 31.12.20 £	Period 1.5.19 to 31.12.19 £
TURNOVER		-	-
Administrative expenses		242,788	378,104
		(242,788)	(378,104)
Other operating income		240,000	60,000
Loss on revaluation of investments	11	(3,594,217)	(314,285)
OPERATING LOSS	6	(3,597,005)	(632,389)
Interest receivable and similar income		11	7
Interest payable and similar charges	8	(42,140)	(38,078)
LOSS BEFORE TAXATION		(3,639,134)	(670,460)
Tax on loss	9	-	-
LOSS FOR THE FINANCIAL YEAR/PERIOD		(3,639,134)	(670,460)
Loss per share expressed in pence per share:	10		
Basic		-1.24	-0.41
Diluted		-1.24	-0.41

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Year Ended 31.12.20 £	Period 1.5.19 to 31.12.19 £
LOSS FOR THE YEAR/PERIOD		(3,639,134)	(670,460)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD		(3,639,134)	(670,460)

The notes form part of these financial statements

BWA GROUP PLC (REGISTERED NUMBER: 00255647)

BALANCE SHEET
31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Investments	11		1,813,948		5,179,414
CURRENT ASSETS					
Debtors	12	204,102		144,839	
Cash at bank		1,383		15,973	
		205,485		160,812	
CREDITORS					
Amounts falling due within one year	13	(221,682)		(152,554)	
NET CURRENT (LIABILITIES)/ASSETS			(16,197)		8,258
TOTAL ASSETS LESS CURRENT LIABILITIES			2,091,010		5,187,672
CREDITORS					
Amounts falling due after more than one year	14		(44,483)		-
NET ASSETS			1,753,268		5,187,672
CAPITAL AND RESERVES					
Called up share capital	17		1,526,814		1,355,129
Share premium			15,608		12,663
Other reserve			(3,300,724)		293,493
Capital redemption reserve			288,625		288,625
Equity reserve			4,742,058		4,711,958
Retained earnings			(1,519,113)		(1,474,196)
SHAREHOLDERS' FUNDS			1,753,268		5,187,672

The financial statements were approved by the Board of Directors and authorised for issue on ....15th June 2021.... and were signed on its behalf by:

....

R G Battersby - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 May 2019	602,659	(1,118,021)	12,663
Changes in equity			
Total comprehensive loss	-	(670,460)	-
Reserves transfer	-	314,285	-
Issue of share capital	752,470	-	-
Balance at 31 December 2019	1,355,129	(1,474,196)	12,663
Changes in equity			
Total comprehensive loss	-	(3,639,134)	-
Reserves transfer	-	3,594,217	-
Issue of share capital	171,685	-	2,945
Balance at 31 December 2020	1,526,814	(1,519,113)	15,608

	Other reserve £	Capital redemption reserve £	Equity reserve £	Total equity £
Balance at 1 May 2019	607,778	288,625	247,364	641,068
Changes in equity				
Total comprehensive loss	-	-	-	(670,460)
Reserves transfer	(314,285)	-	-	-
Issue of share capital	-	-	-	752,470
Convertible loan notes issued	-	-	4,841,000	4,841,000
Convertible loan note interest	-	-	15,611	15,611
Conversion of loan notes	-	-	(392,017)	(392,017)
Balance at 31 December 2019	293,493	288,625	4,711,958	5,187,672
Changes in equity				
Total comprehensive loss	-	-	-	(3,639,134)
Reserves transfer	(3,594,217)	-	-	-
Issue of share capital	-	-	-	174,630
Convertible loan note interest	-	-	30,100	30,100
Balance at 31 December 2020	(3,300,724)	288,625	4,742,058	1,753,268

Equity reserves comprise the principal and interest relating to Unsecured Convertible Loan Notes (see note 22).

Other reserve represents the net increases and decreases in the fair value of investments held at the period end.

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Year Ended 31.12.20 £	Period 1.5.19 to 31.12.19 £
Cash flows from operating activities			
Cash generated from operations	1	(88,063)	(68,595)
Interest paid		(23,987)	(9,212)
Net cash from operating activities		(112,050)	(77,807)
Cash flows from investing activities			
Purchase of fixed asset investments		(8)	(39,029)
Loans to subsidiary undertakings		(56,543)	-
Interest received		11	7
Net cash from investing activities		(56,540)	(39,022)
Cash flows from financing activities			
New loans in period		91,000	16,500
Loan repayments in period		(46,500)	-
Loan note proceeds received		12,500	-
Convertible loan notes issued		-.	101,000
Amount introduced by directors		-	3,000
Amount repaid to directors		(3,000)	-
Share issue		100,000	-
Net cash from financing activities		154,000	120,500
(Decrease)/increase in cash and cash equivalents		(14,590)	3,671
Cash and cash equivalents at beginning of year/period	2	15,973	12,302
Cash and cash equivalents at end of year/period	2	1,383	15,973

The notes form part of these financial statements

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Year Ended 31.12.20 £	Period 1.5.19 to 31.12.19 £
Loss before taxation	(3,639,134)	(670,460)
Loss on revaluation of fixed assets	3,594,217	314,285
Share-based payments (see note 21)	74,630	298,193
Finance costs	42,140	38,078
Finance income	(11)	(7)
	71,842	(19,911)
Increase in trade and other debtors	(244,263)	(64,792)
Increase in trade and other creditors	84,358	16,108
Cash generated from operations	(88,063)	(68,595)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2020

	31.12.20 £	1.1.20 £
Cash and cash equivalents	1,383	15,973

Period ended 31 December 2019

	31.12.19 £	1.5.19 £
Cash and cash equivalents	15,973	12,302

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.20 £	Cash flow £	Other non-cash changes £	At 31.12.20 £
Net cash				
Cash at bank	15,973	(14,590)		1,383
	15,973	(14,590)		1,383
Debt				
Debts falling due within 1 year	(49,500)	2,983	-	(46,517)
Debts falling due after 1 year	-	(44,483)	-	(44,483)
	(49,500)	(41,500)	-	(91,000)
Total	(33,527)	(56,090)	-	(89,617)

The notes form part of these financial statements

1. GENERAL INFORMATION

The principal activity of BWA Group Plc ('BWA') is that of an investment vehicle set up principally to acquire one or more businesses and to make investments. The directors are currently concentrating on investments in the mining and resources sector.

BWA is a public company limited by shares and is incorporated in England and Wales. The company's shares are quoted on the Aquis Exchange Growth Market. The address of its registered office is One Bartholomew Close, London, EC1A 7BL

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2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with UK Accounting Standards, including Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the requirements of the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparation
The financial statements have been prepared under the historical cost convention as modified by the recognition of certain fixed assets measured at fair value. The principal accounting policies are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The financial statements are prepared in pounds sterling because that is the currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern
These financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

At 31 December 2020, the company had net current liabilities of £16,197 and net assets of £1,753,268. The loss for the year of £3,639,134 is stated after a write down of £3.3m in the value of the investment in Kings Of The North Corp.

The directors have reviewed cash flow forecasts under various scenarios, which show the Company to have sufficient resources to remain a going concern, subject to:

- The timing of income and expenditure cash flows and realisation of other investments.
- Amounts arising post year end owed to subsidiary companies being deferred and not being required for repayment until the Company has surplus cash resources to make payment.
- The level of cash investment required by the investment portfolio and sufficient resources being available, either through income streams detailed above and successful fundraising being achieved from investors to fund these development activities.

The directors have a reasonable expectation that the Company will have adequate resources to continue in business for the foreseeable future and are of the opinion that it is appropriate for the accounts to be prepared on the going concern basis, although acknowledge that material uncertainties as detailed above exist at the time of approval of these financial statements, which may cast significant doubt on the entity's ability to continue as a going concern.

continued...

3. **ACCOUNTING POLICIES – continued**

Preparation of consolidated financial statements
The financial statements contain information about BWA Group plc as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 9.9(b) of FRS102 from the requirements to prepare consolidated financial statements.

Significant judgements and estimates
The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form a basis for making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a regular basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The directors consider that the most significant areas of accounting estimates and judgements are as follows:

- The valuation of unlisted investments; The techniques used to determine the fair value of the unlisted investments are significantly affected by certain key assumptions, such as market liquidity and the investees' ability to achieve certain milestones. It is important to recognise that in that regard, the derived fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately.
- The likelihood that deferred tax assets can be realised;
- Exceptional items; considering the nature of the item of income or expenditure, whether it would reasonably be considered to be outside of the normal business operations of the company and whether it was of a non-recurring nature;
- Provision for impairment in the value of assets.

Investments in subsidiaries
Investments in subsidiary undertakings are held as part of an investment portfolio and are therefore stated at fair value at the balance sheet date with all gains and losses recognised in the profit and loss account.

If fair value cannot be determined with sufficient reliability then investments are stated at cost less provision for impairment.

Taxation
Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

continued...

3. **ACCOUNTING POLICIES - continued**

Share-based payments
The company provides share-based payment arrangements to the directors.

Equity-settled arrangements are measured at fair value of the equity instruments (excluding the effect on non-market based vesting conditions) at the date of the grant. The fair value is expensed on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number of shares or options that will vest.

Where equity-settled arrangements are modified, and are of benefit to the employee, the incremental fair value is recognised over the period from the date of modification to date of vesting. Where a modification is not beneficial to the employee there is no change to the charge for share-based payment. Settlements and cancellations are treated as an acceleration of vesting and the unvested amount is recognised immediately in the income statement.

The company has no cash-settled arrangements.

Financial Instruments
The following policies for financial instruments have been applied in the preparation of the company's financial statements. Financial assets and financial liabilities are recognised on the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

Investments
Investments are stated at their fair value at the balance sheet date with all gains and losses recognised in the profit and loss account.

Investments which are listed on a stock market such as AIM or similar markets are valued at their closing bid-price. Where listed investments are subject to restrictions on sale or the marketability of the holding is limited then a discount to the listed market price may be applied.

Valuation methods used for unlisted shares are at fair value in accordance with the International Private Equity and Venture Capital Valuation Guidelines. In estimating fair value a valuation methodology is applied that is appropriate in light of the nature, facts and circumstances of the Investment and its materiality in the context of the total investment portfolio. The methodologies used include:

Price of recent investment
Net assets
Discounted cash flows or earnings of the underlying business
Discounted cash flows from the investment

For investments in start-up or early-stage businesses, the "Price of Recent Investment" methodology is the most appropriate for a limited period following the date of investment. Thereafter the fair value is measured using the most appropriate methodology. If fair value cannot be reliably measured then the investment is measured at cost less impairment.

continued...

3. ACCOUNTING POLICIES – continued

Financial Instruments - continued

Loans receivable, trade and other receivables
Loans, trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand, deposits with maturities of three months or less from inception, and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents.

Impairment of financial assets
Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit and loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit and loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Financial liabilities
Financial liabilities, including trade and other payables, bank loans, and other loans are initially recognised at fair value unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities, including debt instruments, are subsequently carried at amortised cost using the effective interest method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

continued...

3. ACCOUNTING POLICIES - continued

Financial instruments - continued

Equity
Equity comprises the following:

'Share capital' represents the nominal value of equity shares.

'Share premium account' represents the excess of consideration received for shares over the nominal value of the shares issued.

'Capital redemption reserve' represents amounts transferred from issued share capital on a purchase or redemption of own shares.

'Other reserve' represents increases and decreases in the fair value of investments held at the period end.

'Profit and loss reserve' represents retained earnings.

'Equity reserve' represents the equity element of the Unsecured Convertible Loan Notes.

Borrowings
Interest-bearing loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise and recognised in profit and loss over the term of the borrowing using the effective interest rate method.

Compound financial instruments
Compound financial instruments, containing both a liability and equity component, are classified in their respective area of the balance sheet.

Compound financial instruments issued by the company consist of Unsecured Convertible Loan Notes. The entire principal amount has been classified as equity on the basis that the liability component is immaterial.

Financial risk management
The directors review and agree policies for managing the risks arising from the company's financial instruments and these are summarised below.

Liquidity risk
The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Credit risk
The directors mitigate this risk by only offering credit to companies and individuals known to them and that have the resources to repay the balance if necessary.

The directors are responsible for managing and analysing the credit risk for each new transaction before terms of business are offered. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

For cash and cash equivalents, the company uses only recognised banks with high credit ratings. For trade and other receivables, the directors consider that the credit risk is minimal and the total is spread across many transactions.

Market risk
The company does not consider itself to be subject to significant market risk.

Borrowing facilities and interest rate risk
The company had borrowings in the form of convertible loan notes and a bank loan at 31 December 2020 (31 December 2019 - convertible loan notes only). The notes and bank loan carry a fixed rate of interest and therefore the company does not consider itself to be subject to significant interest rate risk.

continued...

3. ACCOUNTING POLICIES - continued

Capital risk management
The Board's principal objective when managing the capital of the company is to safeguard its ability to continue as a going concern, with the intention of providing future returns for shareholders.

The Board manages the capital structure of the company by making changes based on the economic conditions and the future outlook. Total equity, as defined on the balance sheet, is used as a key indicator of capital used in the business.

Exceptional items
The company classifies certain one-off charges or credits that have a material impact on the company's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the company.

continued...

4. SEGMENTAL INFORMATION

The company has one reportable segment being investment activities, the results of which are disclosed in the income statement. The company's investment operations are located in the UK, however the company's investments are located as noted below. Income comprises management fees charged by the company to Kings Of The North Corp and BWA Resources Cameroon Limited.

Geographical location of investments and sources of income
In terms of the trading portfolio the global location of the investments are as follows:

	31.12.20	31.12.19
	£	£
UK	6,493	622
Canada	1,590,200	4,724,829
Cameroon	217,254	453,962
Norway	1	1
	1,813,948	5,179,414

Income relating to investment activities originated from Canada (2020: £120,000; 2019: £30,000) and Cameroon (2020: £120,000; 2019: £30,000). Income from each individual investment accounting for 10% or more of income originated from Kings Of The North Corp (2020: £120,000; 2019: £30,000) and BWA Resources Cameroon Limited (2020: £120,000; 2019: £30,000).

5. EMPLOYEES AND DIRECTORS

Remuneration in respect of the directors during the period was as follows:

	Year Ended 31.12.20	1.5.19 to 31.12.19
	£	£
Directors' fees	104,333	323,281

Directors' fees for the period ended 31 December 2019 include an exceptional charge of £298,193 (see note 7).

There were no other directors' emoluments, staff costs, social security or other pension costs for the year ended 31 December 2020 nor for the period ended 31 December 2019.

There were no employees during the period other than the four directors (period ended 31 December 2019: four directors). The directors are the key management personnel.

Share options
Details of share options awarded to directors under the terms of an Unapproved Share Option Plan are set out in note 21.

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6. OPERATING LOSS

The operating loss is stated after charging:

	Year Ended 31.12.20 £	1.5.19 to 31.12.19 £
Auditors' remuneration - audit work	13,500	9,000

7. EXCEPTIONAL ITEMS

On the flotation of the company in March 2010, the directors agreed that they would not be paid any remuneration until the company had concluded a significant transaction but that, on completion of such transaction, they would be entitled to receive shares in settlement of remuneration at the rate of £10,000 per annum each.

The directors became entitled to this remuneration on completion of the acquisition of Kings Of The North Corps on 1 October 2019. The total remuneration payable in respect of this agreement and charged to administrative expenses during the period ended 31 December 2019 was £298,193. This was settled by the issue of 59,638,600 ordinary 0.5p shares to the directors.

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year Ended 31.12.20 £	1.5.19 to 31.12.19 £
Convertible loan note interest	42,140	21,855
Other loan interest	-	16,223
	42,140	38,078

9. TAXATION

Analysis of the tax charge
No liability to UK corporation tax arose for the year ended 31 December 2020 nor for the period ended 31 December 2019.

Reconciliation of total tax charge included in profit and loss
The tax assessed for the period is the same as the standard rate of corporation tax in the UK.

	Year Ended 31.12.20 £	1.5.19 to 31.12.19 £
Loss before tax	(3,639,134)	(670,460)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(691,435)	(127,387)
Effects of:		
Unrealised gains/losses on revaluation of investments	682,901	59,714
Losses to relieve in future periods	8,534	67,673
Total tax charge	-	-

No deferred tax asset has been recognised in the financial statements in respect of trading losses carried forward of £4,290,273 (2019 - £4,245,356) due to the uncertainty as to whether future taxable profits will arise against which the losses can be relieved.

continued...

9. TAXATION - continued

The unrealised net gain on the valuation of investments of £nil (2019 - £233,627) has been offset against capital losses carried forward of £8,031,506 (2019 - £8,031,506). No deferred tax asset has been recognised in respect of the remaining losses due to the uncertainty as to whether future taxable gains will arise against which the losses can be relieved.

10. EARNINGS PER SHARE

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

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares. The company has potential ordinary shares in the form of share options and convertible loan notes. The potential ordinary shares are anti-dilutive for the year ended 31 December 2020 and the period ended 31 December 2019. Reconciliations are set out below.

		31 December 2020	
	Earnings £	Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	(3,639,134)	294,367,968	-1.24
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	(3,639,134)	294,367,968	-1.24

		31 December 2019	
	Earnings £	Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	(670,460)	164,507,787	-0.41
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	(670,460)	164,507,787	-0.41

Instruments (including contingently issuable shares) that could potentially dilute basic EPS in the future, but were not included in the calculation of diluted EPS because they are antidilutive for the periods presented are as follows:

	31.12.20 £	31.12.19 £
Convertible loan notes	942,391,600	942,391,600
Share options	39,000,000	17,613,786
	981,391,600	960,005,386

There have been no ordinary share transactions after the balance sheet date that would have changed significantly the number of ordinary shares outstanding at the end of the year if those transactions had occurred before the end of the reporting period.

11. FIXED ASSET INVESTMENTS

At valuation	Investments in subsidiaries £	Other investments £	Totals £
Period ended 31 December 2019			
At 1 May 2019	1	608,168	608,169
Additions	4,766,897	118,633	4,885,530
Fair value movement	-	(314,285)	(314,285)
At 31 December 2019	**4,766,898**	**412,516**	**5,179,414**
Year ended 31 December 2020			
At 1 January 2020	4,766,898	412,516	5,179,414
Additions	56,551	172,200	228,751
Fair value movement	(3,188,196)	(406,021)	(3,594,217)
At 31 December 2020	**1,635,253**	**178,695**	**1,813,948**

All investments are unlisted. The fair value of the investments has been determined by the Directors as follows:

Basis of valuation	Carrying amount 31.12.20 £	Carrying amount 31.12.19 £
Price at which shares were last issued in most recent funding round by the investee company	-	293,260
Quoted market price in an active market	178,693	621
Expected discounted cash flows from the investment	-	160,702
Price of recent investment	-	1
Price of recent acquisition	-	4,724,829
Cost less impairment (fair value cannot be reliably measured)	1,635,255	1
	1,813,948	5,179,414

On 1 October 2019, the company acquired 100% of the issued share capital of Kings Of The North Corp, a company incorporated in Canada which holds a number of mining rights in Quebec and Ontario. The shares were acquired for a consideration of £4.66m which was settled by the issue of Unsecured Convertible Loan Notes (see note 22(ii)).

The following information relates to investments whose carrying amount exceeds one-fifth of the company's assets at the end of the financial period:

Name	Place of incorporation	Holding	Proportion of voting rights and shares held	Carrying amount 31.12.20 £	Carrying amount 31.12.19 £
Kings Of The North Corp	Canada	Common shares	100.00%	1,418,000	4,724,829

The following information relates to the company's subsidiary undertakings at the end of the financial period:

BWA Resources (UK) Limited was incorporated on 6 February 2018 in England & Wales. The registered office address is Bridge House, Lyndhurst Road, Brockenhurst, Hampshire, SO42 7TR. BWA Group Plc owns 90% (2019: 100%) of the Ordinary shares. The latest financial statements available for this company were for the eight months ended 31 December 2019, Net assets at 31 December 2019 were £1 and the profit for the period was £nil. The financial statements for the year ended 31 December 2020 are not yet available.

continued...

11. FIXED ASSET INVESTMENTS - continued

BWA Resources Cameroon Limited ('BWA Cameroon') was incorporated on 26 March 2018 in Cameroon. The registered office address is BP6184 Yaoundé, Cameroon. BWA Resources (UK) Limited owns 100% of the Ordinary shares of BWA Cameroon.

Kings Of The North Corp ('KOTN') is a company incorporated in Canada. The registered office address is 230 Rue Notre-Dame Ouest, Montréal, QC H2Y 1T3. BWA Group Plc owns 100% of the Common shares of KOTN.

As BWA Cameroon and KOTN are not required to publish a copy of their balance sheet in their respective countries of incorporation, information about their capital and reserves at the end of their relevant financial years and profit or loss for those years is not presented.

Kings of the North
The investment in Kings of the North Corp was acquired in October 2019 for a cost of £4.66 million settled by an issue of convertible loan notes and equity, of which £4.48 million related to the mining claims. The original intention had been for the company to be operated in partnership with the vendor, St Georges Eco-Mining Corp (St Georges). Unfortunately, in the event, the outbreak of the Covid-19 pandemic and other factors meant the joint venture never started and subsequent investigations by BWA revealed deficiencies in the title in three of the claim areas acquired within the company. As a result, claims for restitution have been made in Canada against St Georges and certain of its directors which are ongoing.

Linked to the above, St Georges has made a claim for $200,000 against BWA in the UK for monies it claims are due to it. BWA has refuted the claim denying all liability and to date this claim has not been pursued and accordingly no provision has been made in the financial statements as in the opinion of the directors any liability arising is deemed remote.

In the absence of a reliable fair value estimate, for the purposes of these financial statements the investment in Kings of the North has been valued at cost less impairment, equating to the cost of the two major claim areas which remain, namely Winterhouse and Isoukustouc, and which the directors believe KOTN has good title, as set out in the SRK report dated September 2019 amounting to £1.418 million. Because of pandemic restrictions it has not been possible for visits to be made to these claim areas or carry out any work to progress the claims although certain desktop studies have been made in the UK. The valuation ignores any contingent asset value which may result from the claims for restitution being made against St Georges and certain of its directors referred to above due to current uncertainty over the eventual outcome.

Cameroon investments – Mineralfields Group Limited and BWA Resources (UK) Limited
The directors view the investments in Mineralfields Group Limited and BWA Resources (UK) Limited as one unit representing the interest of those companies in the activities in Cameroon and had valued them accordingly as set out in previous reports. In the absence of a sufficiently reliable estimate of fair value being able to be determined for these Cameroon investments, the directors are required under accounting standards to carry these investments separately at cost less provision for impairment. This means that a provision of £0.3 million has been required to be made against the investment in Mineralfields Group Limited. This is a technical adjustment and does not reflect the Board's view of the underlying value of the investment in BWA Resources (UK) Limited and Mineralfields Group Limited if valued together.

continued...

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Trade debtors	150,000	-
Other debtors	45,853	80,000
VAT	5,277	-
Prepayments and accrued income	2,972	64,839
	204,102	144,839

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans and overdrafts (see note 15)	5,517	-
Other loans (see note 15)	41,000	46,500
Trade creditors	143,053	50,200
Other creditors	11,059	18,354
Directors' loan accounts	-	3,000
Accrued expenses	21,053	34,500
	221,682	152,554

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans (see note 15)	44,483	-

15. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year or on demand:		
Bank loans	5,517	-
Other loans	41,000	46,500
	46,517	46,500
Amounts falling due between one and two years:		
Bank loans - 1-2 years	9,646	-
Amounts falling due between two and five years:		
Bank loans - 2-5 years	30,428	-
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans - more than 5 years by instalments	4,409	-

Other loans as at 31 December 2019 were unsecured. The total settlement payable was £62,500 which was paid on 20 March 2020. Other loans as at 31 December 2020 were interest free and repayable on demand.

Bank loans relates to a loan received on 15 May 2020 under the UK Government's Bounce Back Loan Scheme. The loan is repayable by instalments over a period of 60 months starting from June 2021. The loan carries a fixed rate of interest of 2.5%. The interest for the first year of the loan will be paid by the UK Government.

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16. FINANCIAL INSTRUMENTS

The company's financial instruments were categorised as follows:

	2020	2019
	£	£
Financial assets measured at fair value:		
- Investments	1,813,948	5,179,414
Financial assets that are debt instruments measured at amortised cost:		
- Cash at bank	1,383	15,973
- Trade debtors	150,000	-
- Accrued income	-	60,000
- Other debtors	45,853	80,000
	197,236	155,973
Financial liabilities measured at amortised cost:		
- Bank loans	50,000	-
- Other loans	41,000	46,500
- Trade creditors	143,053	50,200
- Other creditors	11,059	18,354
- Directors' loans	-	3,000
- Accrued expenses	21,053	34,500
	266,165	152,554

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020 £	2019 £
305,362,891	Ordinary	0.5p	1,526,814	1,355,129
(31 December 2019 – 271,025,871)				

The following 0.5p Ordinary shares were issued during the year:

- 11,392,527 were issued at par value in settlement of directors' fees.
- 2,944,493 were issued at 0.6p per share in settlement of directors' fees.
- 20,000,000 were issued for cash at par value.

18. RELATED PARTY DISCLOSURES

Bath Group Limited is a company in which Richard Battersby has a material interest as a director and shareholder. During the year, Bath Group Limited provided the Company with loans totalling £nil (2019 - £18,000). The total interest payable on these loans which was charged to the income statement during the year was £nil (2019 - £6,000). At 31 December 2020 the balance due from the Company, included within other creditors falling due within one year was £nil (2019 - £22,500). No security has been given by the Company in respect of any loans. The Company has also awarded Bath Group Limited share options for the services of Richard Battersby as a director of the Company. Details of the award are provided in Note 21.

Neric Holdings Limited is also a company in which Richard Battersby has a material interest as a director and shareholder. During the year, Company awarded Neric Holdings Limited share options for the services of Richard Battersby as a director of the Company. Details of the award are provided in Note 21. Also, included in trade creditors as at 31 December 2020 is a balance of £25,051 (2019 - £6,704) due to Neric Holdings Limited in respect director's fees and expenses relating to the services of Richard Battersby.

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18. RELATED PARTY DISCLOSURES - continued

James Butterfield and Alex Borrelli were directors of Mineralfields Group Limited ("Mineralfields") during the year. The Company holds an investment in Mineralfields in the form of unlisted shares valued by the directors at £1 as at 31 December 2020 (2019 - £293,260). This investment was acquired at a cost of £256. Also, at 31 December 2020 a loan balance of £nil (2019 - £118,633) was owed to the Company by Mineralfields. This balance, which was included within fixed asset investments and which forms part of the Company's investment in Cameroon, was transferred to BWA Resources (UK) Limited during the year. The loan was unsecured, interest free and had no fixed date for repayment.

BWA Resources (UK) Limited ('BWA Resources') is a subsidiary of the Company. As described above a loan balance of £118,633 was transferred from Mineralfields Group Limited to BWA Resources during the year. Further loans totalling £56,543 were also made by the Company to BWA Resources during the year. On 15 September 2020, £170,000 of the loan balance was converted into 170,000 A Ordinary shares in BWA Resources. At 31 December 2020 a loan balance of £47,244 (2019 - £42,068) was owed to the Company by BWA Resources. This balance, which is included within fixed asset investments and which forms part of the Company's investment in Cameroon, was unsecured, interest free and had no fixed date for repayment. The Company also received a loan from BWA Resources during the year. At 31 December 2020, the balance due from the Company was £41,000 (2019 - £nil). The loan, which is included in creditors falling due within one year, is unsecured, interest free and has no fixed date for repayment. Also, during the year BWA Resources issued 9 Ordinary shares of £1 each for cash at par value. Eight of these shares were issued to the Company. Following this, the Company's shareholding had reduced from 100% to 90%.

During the previous period, James Butterfield and Alex Borrelli each loaned £3,000 to the Company. The total interest payable on each of these loans which was charged to the income statement during the period was £1,000. At 31 December 2020 the balances due from the Company were £nil (2019 - £1,500) due to James Butterfield and £nil (2019 - £1,500) due to Alex Borrelli.

Included in trade creditors as at 31 December 2020 is a balance of £20,396 (2019 - £4,666) payable to James Butterfield respect director's fees and expenses.

Borrelli Capital Limited is a company in which Alex Borrelli has a material interest as a director and shareholder. Included in trade creditors as at 31 December 2020 is a balance of £15,138 (2019 - £3,673) due to Borrelli Capital Limited in respect director's fees and expenses relating to the services of Alex Borrelli.

BWA Resources Cameroon Limited ('BWA Cameroon') is a subsidiary of the Company. During the year the Company charged management fees totalling £120,000 (2019 - £30,000) to BWA Cameroon. At 31 December 2020 the balance due to the Company in respect of these fees was £150,000 (2019 - £30,000).

Addison Mining Services Limited is a company in which the director J Hogg has a material interest as a director and shareholder. Included in trade creditors as at 31 December 2020 is a balance of £20,894 (2019 - £nil) due to Addison Mining Services Limited in respect consultancy fees, and director's fees and expenses relating to the services of J Hogg.

Kings of The North Corp ('KOTN') is a subsidiary of the Company. During the year the Company charged management fees totalling £120,000 (2019 - £30,000) to KOTN. At 31 December 2020 the balance due to the Company in respect of these fees was £nil (2019 - £30,000). Also, during the year, the Company's investment in KOTN was written down by £3.3m. The carrying value of the investment as at 31 December 2020 was £1,418,000 (2019 - £4,724,829). In December 2020, 3,000,000 shares in St Georges, held by KOTN, were transferred to the Company at middle market price of C$0.10 per share, equivalent to £172,200 in settlement of monies due to the Company by KOTN.

19. POST BALANCE SHEET EVENTS

Since the year end 3,000,000 shares in St Georges were sold for a total realisation value of £492,000.

KOTN also held warrants to subscribe for a further 3,000,000 shares in St Georges at C$0.185 per share and these were transferred to BWA in February 2021 at an all-in subscription price of C$0.50 per share, a cost, before subscription cost, of £546,000. BWA subscribed for the warrants for a total consideration of £322,000 in March 2021. By 22 April 2021 461,000 of those shares had been sold for a consideration of £131,000.

Further development work has continued on both the sites in Cameroon with a further encouraging report of the Nkoteng site being announced on 26 April 2021.

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20. ULTIMATE CONTROLLING PARTY

Significant shareholders are disclosed in the director's report. There is no overall controlling party.

21. SHARE-BASED PAYMENT TRANSACTIONS

Share options
Share options have been awarded at nil cost for services provided by the directors under the terms of an Unapproved Share Option Plan as follows:

Recipient	Date of grant	At 01/01/20 No.	Options granted No.	At 31/12/20 No.
J M V Butterfield	11/02/15	5,871,262	-	5,871,262
M A Borrelli	11/02/15	5,871,262	-	5,871,262
Bath Group Limited	11/02/15	5,871,262	-	5,871,262
J M V Butterfield	26/06/20	-	6,128,738	6,128,738
M A Borrelli	26/06/20	-	6,128,738	6,128,738
Neric Holdings Limited	26/06/20	-	6,128,738	6,128,738
J Hogg	26/06/20	-	3,000,000	6,128,738
		17,613,786	21,386,214	39,000,000

The options granted on 11 February 2015 are exercisable at a price of 0.65p per share and vest as to one third on the first anniversary of grant, one third on the second anniversary of grant and the remaining third on the third anniversary of grant. Under the original terms of the Plan, the options lapsed if not exercised by the fifth anniversary of the date of grant. The exercise period was extended to the eighth anniversary of the date of the grant on 11 February 2020.

The options granted on 26 June 2020 are exercisable at a price of 0.5p per share and vest on the first anniversary of grant. The options lapse if not exercised by the third anniversary of the date of grant.

The company has no legal or constructive obligation to repurchase or settle the options in cash.

The company is unable to directly measure the fair value of directors' services received. Instead the fair value of the share options granted during the year is determined using the Black-Scholes model. The model is internationally recognised as being appropriate to value employee share schemes similar to the Unapproved Share Option Plan. The weighted average fair value of the options granted during the year determined using the Black-Scholes valuation model was nil pence per option. The significant inputs into the model were the weighted average share price of 0.35p at the grant date, the exercise price of 0.5p per option, volatility of 1%, an average expected option life of 1 year and an annual risk-free interest rate of 0.5%.

The total profit and loss account charge for the period recognised in respect of share options granted to directors was £nil (2019: £nil). As at 31 December 2020, none of the options granted had been exercised. This amount will be equity-settled.

Other transactions
During the year ended 31 December 2020, the company issued 11,392,527 Ordinary shares of 0.5p each at par value and 2,944,493 Ordinary shares of 0.5p each issued at 0.6p per share in settlement of fees totalling £74,630 owed to the directors.

During the period ended 31 December 2019, the company issued 59,638,600 Ordinary shares of 0.5p each at par value in settlement of fees totalling £298,193 owed to the directors. A further 12,452,238 Ordinary shares of 0.5p each were issued at par value to the directors in settlement of loans totalling £62,261.

22. CONVERTIBLE LOAN NOTES

(i) 14% Unsecured Convertible Loan Notes 2018
The company issued 14% Unsecured Convertible Loan Notes during the year ended 30 April 2018. The loan notes will be settled in cash only in the event of a sale of the entire issued share capital of the company. If no such sale occurs by 31 December 2021, the notes will be automatically converted into ordinary shares of 0.5p each on the basis of one ordinary share for each loan note (the notes were issued in denominations of 0.5p each).

Interest is payable at an annual rate of 14% per annum on the principal amount, with 4% being paid in cash and the remaining 10% being rolled up and convertible along with the principal amount. Interest is payable half yearly in arrears on 30 June and 31 December.

The entire principal amount has been classified as equity on the basis that the liability component is immaterial. The rolled up element of the interest is credited to equity on an accruals basis.

A summary of the transactions relating to loan notes included in the financial statements is as follows:

<u>Loan Note Principal</u>

	31.12.20	31.12.19
	£	£
Loan notes issued for cash	231,000	231,000
Loan notes issued to settle liabilities of Mineralfields Group Limited	70,000	70,000
Total loan note proceeds credited to equity reserve	301,000	301,000

During the year, £nil (2019: £81,000) in nominal value of loan notes were issued for cash.

<u>Loan Note Interest</u>

Period Ended 31 December 2019

	£
Loan note interest charged to the profit and loss account on accruals basis	21,855

Allocated in balance sheet as follows:

Cash element payable	6,244
Rolled up element credited to equity reserve	15,611
	21,855

Year Ended 31 December 2020

	£
Loan note interest charged to the profit and loss account on accruals basis	42,140

Allocated in balance sheet as follows:

Cash element payable	12,040
Rolled up element credited to equity reserve	30,100
	42,140

22. CONVERTIBLE LOAN NOTES - continued

(ii) Unsecured Convertible Loan Notes 2019
On 1 October 2019, the company acquired 100% of the issued share capital of Kings Of The North Corp, ('KOTN') a company incorporated in Canada which holds a number of mining rights in Quebec and Ontario. The shares were acquired for a consideration of £4.66m which was settled by the issue of Unsecured Convertible Loan Notes. A further £100,000 of loan notes were issued for cash during the period ended 31 December 2019, of which £80,000 remained unpaid at 31 December 2019. The unpaid balance as at 31 December 2020 was £45,000.

The principle terms of the loan notes are as follows:

- convertible by the holder into Ordinary 0.5p shares at any time up until 30 September 2022, at a share conversion price equal to the 5 days Volume Weighted Average Price per Ordinary share prior to the date of conversion and subject to a minimum conversion price of 0.5p per Ordinary share;

- following 30 September 2022, any outstanding Convertible Loan Notes will be rolled over for a subsequent 12 months on the same terms;

- Convertible Loan Notes which have not been converted by the expiry of the further 12 month period shall automatically convert to a new class of share in the Company, being Deferred Non-Voting Shares, convertible on the same terms as the Loan Note Instrument, save they carry no right to capital on winding up;

- the Convertible Loan Notes provide that, at all times no person shall be able to exercise their right to convert any Convertible Loan Notes or Deferred Non-Voting Shares if to do so would cause that person (or any person acting in concert with that person, as defined in the Takeover Code) to exceed a 29% interest in the voting rights of the Company; and

- the Convertible Loan Notes are interest free.

The loan notes are only redeemable in cash under the following circumstances:

- the company is unable to legally issue the conversion shares to the noteholders within 30 days of the conversion date; or

- in the event of the winding up or dissolution of the company; or

- an administrator, receiver or similar is appointed and such person has not been paid out or discharged within 30 days.

The entire principal amount has been classified as equity on the basis that the liability component is immaterial. The movements during the period ended 31 December 2019 were as follows:

	£
Issued to vendors of KOTN outside of control of company	4,660,000
Issued for cash	100,000
Converted into 0.5p Ordinary shares at par value	(392,017)
Balance included in equity reserve	4,367,983

There were no movements during the year ended 31 December 2020.