Registered Number: 10967142 (England and Wales)

Clean Invest Africa plc

Annual report and financial statements

for the period ended 30 September 2018

Clean Invest Africa plc
Annual Report and Financial Statements
for the period ended 30 September 2018

Contents

Company Information

DIRECTORS:	N Lyons S T Preece P B Ryan
SECRETARY:	N Lyons
REGISTERED OFFICE:	1 Bentinck Street London United Kingdom W1U 2EA
REGISTERED NUMBER:	10967142 (England and Wales)
AUDITORS:	PKF Littlejohn LLP Statutory Auditor 1 Westferry Circus Canary Wharf London E14 4HD
CORPORATE ADVISOR:	Peterhouse Capital Limited New Liverpool House 15 Eldon St London EC2M 7LD

Strategic Report

The directors present their strategic report on the Company for the period 18 September 2017 to 30 September 2018.

Principal activity
The Company's primary strategy as stated at the time of its listing on NEX was to acquire interests in and to own, assist and manage clean energy companies and projects, including renewable energy projects and projects that create environmental benefits through greenhouse gas emission reductions with a focus on the African continent.

Review of business and future developments
I am pleased to report that trading in Clean Invest Africa plc's (NEX: CIA) ordinary shares commenced on 11 November 2017 on the NEX Exchange Growth Market ("Admission").

The financial results for the period 18 September 2017 to 30 September 2018 show a loss after taxation of £204,078.

Since admission to NEX the Company has furthered its investment strategy through its initial investment in CoalTech LLC ("CoalTech") and Coal Agglomeration South Africa (Pty) Ltd ("CASA") through the acquisition of a 2.5% equity stake on 12 February 2018. Subsequently, as announced to the market on 10 July 2018 and 17 December 2018, the Company has advanced its investment strategy through the execution of a binding Sales and Purchase Agreement ("SPA") to acquire the remaining 97.5% of CoalTech and the remaining 97.5% of CASA, that the Company does not already own. The SPA values the 97.5% interests at approximately £24.6m and values the entire CoalTech and CASA business at approximately £25.2m, based on the Company's closing bid price on 14 December 2018.

In view of the size of the acquisition relative to the Company and voting control of the Company, the acquisition constitutes a reverse takeover under the NEX Exchange Rules and is therefore conditional, amongst other things, on the approval of Shareholders. Shareholders are also required to approve the waiver of certain obligations which would otherwise be imposed on the Vendors by Rule 9 of the Takeover Code as a result of the issue to them of the Consideration Shares.

The Directors believe that the investment in CoalTech and CASA follows through on the Company investment strategy and the Company intends to continue to seek complimentary and accretive investments in accordance with its Investment Strategy once this acquisition has been completed.

Key performance indicators

The Directors monitor the activities and performance of the Company on a regular basis. The main KPI's are listed as follows:

	2018
	£
Investments	358,362
Net current assets	51,060
Cash and cash equivalents	68,602
Net asset value	409,422

Outlook
I am pleased with the progress made to date, the investment made and look forward to continuing to seek new investment opportunities. We look forward to providing investors with detail on further progress in due course.

Strategic Report (continued)

Principal risks and uncertainties
The Company's strategy is to follow an appropriate risk policy, which effectively manages exposures related to the achievement of business objectives. The board is responsible for approving the company's strategy and determining the appropriate level of risk. The key risks which the Company faces are detailed as follows:

Credit risk
The Company's credit risk is primarily attributable to its cash balance. The credit risk on liquid funds is limited because the counterparty is a large international bank with a credit rating of at least A.

The Company's total credit risk amounts to the total of the sum of the receivables and cash and cash equivalent.

Liquidity risk
The Company's liquidity risk is managed by the directors through regular assessment of required cash levels. It will be necessary to raise additional funds in the future by a further issue of ordinary shares or by other means. There is therefore a risk that the Company may not be able to raise, either by debt or equity, sufficient funds to enable it to finance future acquisitions or investments.

Interest rate risk
The company's only exposure to interest rate risk is the interest received on the cash held on deposit, which is immaterial.

Further details regarding the financial instruments can be found in note 13 to the financial statements.

Internal controls
The Board recognises the importance of both financial and non-financial controls and has reviewed the Company's control environment. Since the Company was established the Directors are satisfied that, given the current size and activities of the Company, adequate internal controls have been implemented. The Directors are aware that no system can provide absolute assurance against material misstatement or loss, however, in light of the current activity and proposed future development of the Company, continuing reviews of internal controls will be undertaken to ensure they are adequate and effective.

This report was approved by the board of directors on 1 March 2019 and signed on its behalf by:

Sam Preece

S T Preece
Director

Directors' Report

The directors present their report and the audited financial statements of the Company for the period 18 September 2017 to 30 September 2018.

Incorporation
The company was incorporated in England and Wales on 18 September 2017.

Dividends
No dividends will be distributed for the period ended 30 September 2018.

Events since the end of the period
Information relating to significant events after the reporting period are contained in note 15 to the financial statements.

Directors
The directors, who served throughout the period to 30 September 2018 and to the date of this report, were as follows:

N Lyons – appointed 18 September 2017
S T Preece - appointed 24 October 2017
R R Carayol – appointed 18 September 2017 and resigned 24 October 2017
A P Matharu - appointed 24 October 2017 and resigned 17 October 2018

P B Ryan was appointed as a director on 17 October 2018.

All the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

Directors' remuneration

	Directors' fees £	Commission £	**Total 2018** **£**
N Lyons	17,000	25,000	**42,000**
S Preece	25,500	-	**25,500**
A Matharu	13,200	-	**13,200**
	55,700	25,000	**80,700**

The Company did not make any pension contributions on behalf of the directors.

Directors' interests
At 30 September 2018, the directors held the following interests in the Company:

	Number of ordinary shares 2018
N Lyons	9,800,000
S Preece	1,200,000
R R Carayol	9,800,000
A Matharu	1,200,000

The Company has not granted any share options or other share incentive schemes to date.

Directors' Report (continued)

Substantial shareholding
At 20 February 2019, the following shareholders each had an interest in more than 3% of the issued share capital of the Company.

Shareholder	No. of shares	Shareholding
Jim Nominees Limited	45,996,421	29%
Michael Hill Esq	27,560,000	17%
R R Carayol	9,800,000	6%
N Lyons	9,800,000	6%
Michael Taylor Esq	6,215,000	4%
Vincent Shields Esq	5,000,000	3%
The Bank of New York (Nominees) Limited	5,000,000	3%
G H Thomas	4,300,000	3%

Going concern
The Directors note the losses that the Company has incurred for the period ended 30 September 2018. The operations of the Company are primarily financed from funds, which the Company raises from share placings for working capital and to finance the Company's activities as an investment company. Details of the Company's investments to date are disclosed in the Strategic Report.

The Company's capital management policy is to raise sufficient funding to finance the Company's near-term objectives as an investment company.

The Company successfully raised £613,500 (net of issue costs) through share placings during the period. The Directors believe that the Company will be able to raise, as required sufficient cash to enable it to continue its operations as an investment company. However, there can be no guarantee that the required funds will be raised within the necessary timeframe.

The Directors have prepared cash flow forecasts up to 31 March 2020, which take account of the current cost and operational structure of the Company. The cost structure of the Company as an investment company comprises a high proportion of discretionary spend therefore in the event that cash flows become constrained, costs can be quickly reduced to enable the Company to operate within its available funding. These forecasts demonstrate that the Company has access to sufficient cash funds available to allow it to continue in operation for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis. The auditors have made reference to going concern within their audit report by way of a material uncertainty.

Statement as to disclosure of information to auditors
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Directors' Report (continued)

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements.

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the company's financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit and loss of for that period.

In preparing these financial statements, the directors are required to:

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

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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

Auditors
The auditors, PKF Littlejohn LLP, will be proposed for appointment at the forthcoming Annual General Meeting.

This report was approved by the board of directors on 1 March 2019 and signed on its behalf by:

Sam Preece

S T Preece
Director

Independent Auditor's Report to the Members of Clean Invest Africa plc

Opinion

We have audited the financial statements of Clean Invest Africa plc (the 'company') for the period 18 September 2017 to 30 September 2018 which comprise the Income Statement, the Statement of Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2018 and of the company's loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 other ethical responsibilities in accordance with these 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 2 in the financial statements, which explains events and conditions that may cast doubt on the company's ability to continue as a going concern. As stated in note 2, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Our application of materiality

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. Materiality was £18,980 based upon 5% of net assets.

An overview of the scope of our audit

In designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgement by the directors and considered future events that are inherently uncertain, to include in particular the Key Audit Matter detailed below. As in all our audits, we also addressed the risk of management override of controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgment, 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) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section we have determined the matters described below to be the key audit matters to be communicated in our report.

Independent Auditor's Report to the Members of Clean Invest Africa plc (continued)

Key Audit Matter	How the scope of our audit responded to the key audit matter
Valuation and recoverability of equity investments The company has non-controlling equity investments in two unlisted investments, CoalTech LLC and Coal Agglomeration South Africa (Pty), totalling £358,362 as at 30 September 2018 (see note 8). Subsequent measurement of the equity investments at fair value involves judgement and estimation due to the absence of readily observable inputs and limited comparable fair value information. Management's considered assessment is that cost was concluded as the best estimate of fair value, based upon the proximity of the acquisition date to the period-end and their detailed knowledge of the investees.	We evaluated management's assessment of fair value with reference to whether there were any relevant indicators where cost might not be representative of fair value. These included: • A significant change in performance of the investee; • A significant change in the market for the investees' equity and products; • A significant change in the economic environment in which the investees operate; • Changes in management or strategy; and • Evidence from external transactions in the investees' equity.

Other information
The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on 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.

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

Independent Auditor's Report to the Members of Clean Invest Africa plc (continued)

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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 from 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.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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.

David Thompson

David Thompson (Senior Statutory Auditor)
for and on behalf of PKF Littlejohn LLP
Statutory Auditor
1 Westferry Circus
Canary Wharf
London E14 4HD
1 March 2019

Income Statement
for the period ended 30 September 2018

	Notes	£
Continuing operations		
Revenue		-
Administrative expenses		(204,415)
Operating loss		**(204,415)**
Finance income	4	337
Loss before income tax	5	**(204,078)**
Income tax	6	-
Loss for the period		**(204,078)**
Earnings per share expressed in pence per share: Basic and diluted	7	**(0.15)**

The Company was incorporated on 18 September 2017; therefore, no comparative figures are presented.

The accompanying accounting policies and notes are an integral part of these financial statements

Statement of Other Comprehensive Income
for the period ended 30 September 2018

	£
Loss for the period	**(204,078)**
Other comprehensive income	-
Total comprehensive income for the period	**(204,078)**

The accompanying accounting policies and notes are an integral part of these financial statements

Statement of Financial Position
As at 30 September 2018

	Notes	30 September 2018 £
Non-current assets		
Investments	8	**358,362**
Current assets		
Trade and other receivables	9	5,080
Cash and cash equivalents	10	68,602
Total current assets		**73,682**
Total assets		**432,044**
Current liabilities		
Trade and other payables	13	22,622
Total current liabilities		**22,622**
Net current assets		**51,060**
NET ASSETS		**409,422**
Equity attributable to the owners of the Company		
Share capital	11	402,750
Share premium	12	210,750
Retained earnings	12	(204,078)
TOTAL EQUITY		**409,422**

The Company was incorporated on 18 September 2017; therefore, no comparative figures are presented.

The financial statements were approved by the Board of Directors on 1 March 2019 and were signed on its behalf by:

Sam Preece

S T Preece
Director

Company Registration Number: 10967142

The accompanying accounting policies and notes are an integral part of these financial statements.

Statement of Changes in Equity
for the period ended 30 September 2018

	Share Capital £	Share Premium £	Retained Earnings £	Total Equity £
Balance at 18 September 2017	-	-	-	-
Issue of share capital	402,750	236,250	-	639,000
Cost of shares issued	-	(25,500)	-	(25,500)
Total comprehensive income	-	-	(204,078)	(204,078)
Balance at 30 September 2018	**402,750**	**210,750**	**(204,078)**	**409,422**

The accompanying accounting policies and notes are an integral part of these financial statements.

Statement of Cash Flows
for the period ended 30 September 2018

	2018 £
Operating activities	
Loss before income tax	(204,078)
Increase in trade and other receivables	(5,080)
Increase in trade and other payables	22,622
Net cash used in operating activities	**(186,536)**
Investing activities	
Purchase of investments	(358,362)
Net cash used in investing activities	**(358,362)**
Financing activities	
Proceeds from issue of shares	639,000
Issue costs	(25,500)
Net cash from financing activities	**613,500**
Increase in cash and cash equivalents	68,602
Cash and cash equivalents at beginning of period	-
Cash and cash equivalents at end of period	**68,602**

The Company was incorporated on 18 September 2017; therefore, no comparative figures are presented.

The accompanying accounting policies and notes are an integral part of these financial statements.

Notes to the Financial Statements
for the period ended 30 September 2018

1. Statutory information
Clean Invest Africa plc is a public limited company which is listed on the NEX Exchange and is incorporated and domiciled in the UK. The Company's registered number and registered office address can be found on the Company Information page.

The principal activities of the Company are stated in the Strategic Report on page 2.

The functional and presentation currency is Pound Sterling (£).

2. Accounting policies
The accounting policies, which have been applied consistently throughout the period, unless otherwise stated, are set out below:

Basis of preparation
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations (IFRS IC) as adopted by the European Union and the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared on the historical cost basis, except for financial instruments that are measured at fair value at the end of the reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant in the financial statements, are disclosed under the 'Critical accounting judgements and key sources of estimation uncertainty' policy on page 19.

Going concern
The preparation of financial statements requires an assessment of the validity of the going concern basis of preparation. The Company incurred a loss for the period of £204,078 and, as at 30 September 2018, had cash and cash equivalents of £68,602.

The Directors have prepared and reviewed projections and cash flow forecasts for a period of at least 12 months from the date of approval of the financial statements. These projections consider different scenarios including completion of the current proposed RTO versus projections on a contracted and committed expenditure basis. The Company has no revenues and to date has relied upon equity funding and Directors' loans to finance its activities whilst it identifies and completes suitable transaction opportunities.

The Directors have underwritten the legal and professional fees currently being incurred in respect of the proposed RTO. Additional funds will however be needed to meet the Company's contracted and committed working capital requirements over the going concern period. The Directors are confident that the Company will be able to raise additional funds through new equity or other funding facilities in order to meet any shortfall.

In making their assessment of going concern, the Directors acknowledge that the Company has a small contracted and committed cost base and, in their opinion, consider sufficient additional funds will be available to ensure the Company continues to meet its obligations as they fall due for a period of at least 12 months from the date of approval of these financial statements. Accordingly, the Board believes it is appropriate to adopt the going concern basis in the preparation of the financial statements.

Notes to the Financial Statements *(continued)*
for the period ended 30 September 2018

2. Accounting policies - continued

International Financial Reporting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the IASB and IFRS Interpretations Committee have issued standards, interpretations and amendments which are applicable to the Company.

Whilst these standards and interpretations are not effective for, and have not been applied in the preparation of, these financial statements, the following may have an impact going forward:

New/Revised International Financial Reporting Standards		Effective Date/Annual periods beginning on or after:	EU adopted
IFRS 9	Financial Instruments: Classification and Measurement	1 January 2018	Yes
IFRS 15	Revenue from Contracts with Customers	1 January 2018	Yes
IFRS 16	Leases	1 January 2019	Yes
Annual Improvements	IFRS Standards 2015-2017 Cycle	1 January 2019	No

The Company intends to adopt these standards when they become effective. The introduction of IFRS 9 is being assessed by management in conjunction with the valuation of its equity investments although the financial effect, if any, has not been quantified pending progress of the RTO. The impact of IFRS 15 and 16 has not highlighted any material future impact.

Financial instruments
Financial assets and financial liabilities are recognised in the Company's statement of financial position when the it becomes a party to the contractual provisions of the instrument.

Financial assets
The Company classifies its financial assets as 'loans and receivables' or 'available-for-sale' financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Loans and receivables
The Company's loans and receivables comprise Other Receivables and Cash and Cash Equivalents in the Statement of Financial Position.

(ii) Available-for-Sale Financial Assets
Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of the investment within 12 months of the end of the reporting period.

Notes to the Financial Statements (continued)
for the period ended 30 September 2018

2. Accounting policies - continued

(ii) Available-for-Sale Financial Assets (continued)

Available for sale investments are initially measured at fair value plus incidental acquisition costs. Subsequently, they are measured at fair value in accordance with IAS 39. Gains and losses on measurement are recognised in other comprehensive income except for impairment losses and foreign exchange gains and losses on monetary items denominated in a foreign currency, which are recognised directly in profit or loss.

Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss. The loss is measured as the difference between the cost of the financial asset and its current fair value less any previous impairment.

Unquoted investments are valued by the Directors using primary valuation techniques such as recent transaction, last price or net asset value.

Where the fair value of an equity investment cannot be estimated reliably, such as investments in unquoted companies, fair value is based on cost less any impairment charges. In this case impairment charges are recognised in profit or loss. The company assesses at each period end date whether there is any objective evidence that a financial asset or group of financial assets classified as available-for-sale has been impaired.

An impairment loss is recognised if there is objective evidence that an event or events since initial recognition of the asset have adversely affected the amount or timing of future cash flows from the asset. A significant or prolonged decline in the fair value of a security below its cost shall be considered in determining whether the asset is impaired.

Offsetting Financial Instruments
Financial assets and liabilities are offset, and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

Cash and cash equivalents
Cash and cash equivalents includes cash in hand and deposits held at call with banks.

Financial liabilities
The Company's financial liabilities comprise trade and other payables.

Trade payables and borrowings are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Notes to the Financial Statements (continued)
for the period ended 30 September 2018

2. Accounting policies - continued

Trade payables
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 (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

Taxation
Tax represents the sum of current and deferred tax.

Current taxation
Current tax is based on taxable loss for the period. Taxable loss differs from net loss as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the year-end date. All differences are taken to the Income Statement.

Notes to the Financial Statements (continued)
for the period ended 30 September 2018

2. Accounting policies - continued

Equity
Equity comprises the following:

Share capital represents amounts subscribed for shares at nominal value.
Share premium represents amounts subscribed for share capital, net of issue costs, in excess of nominal value.
Retained earnings represents the profits and losses attributable to equity shareholders.

Critical accounting judgements and key sources of estimation uncertainty
The preparation of financial statements in conformity with International Financial Reporting Standards as adopted by the EU requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

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

Significant items subject to such estimates and assumptions include, but are not limited to:

- **Fair value measurement**

On acquisition, investments are valued at cost as this is deemed to be the fair value. Subsequent to this date, management uses valuation techniques and other relevant information to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Management bases its assumptions on observable data as far as possible, but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Notes to the Financial Statements (continued)
for the period ended 30 September 2018

3. Employees and directors

	2018
	£
Fees and commissions	80,700

The average number of employees during the period was as follows:	3

	2018
	£
Directors' remuneration (see page 4)	80,700

4. Finance income

	2018
	£
Deposit account interest	337

5. Loss before income tax

	2018
	£
The loss before income tax is stated after charging:	
Auditors' remuneration – audit of the financial statements	10,000

6. Income tax

	2018
	£
Current tax	-
Deferred tax	-
Tax charge/ (credit)	-

Reconciliation of tax:	2018
	£
Loss on ordinary activities before taxation	(204,078)
Current tax at standard rate of UK corporation tax of 19%	38,775
Losses carried forward on which no deferred tax asset is recognised	(38,775)
Tax charge/ (credit)	-

The Company has estimated excess management expenses of approximately £200,000 available for carry forward against future trading profits.

Notes to the Financial Statements (continued)
for the period ended 30 September 2018

7. Earnings per share

Basic and diluted

	2018 £
Total loss from continuing operations attributable to equity holders of the Company	(204,078)
Weighted average number of ordinary shares in issue	135,290,476
Basic earnings per share from continuing operations (pence)	(0.15)

8. Investments

	Unlisted Investments (Level 3) £
Balance at 18 September 2017	-
Purchase of investments	372,003
Foreign exchange translation	(13,641)
Balance at 30 September 2018	**358,362**

On 12 February 2018 the Company signed an investment agreement with privately owned CoalTech LLC ("CoalTech"), a Delaware limited liability company, and its sister company, Coal Agglomeration South Africa (Pty) Ltd ("CASA"), which will give CIA shareholders exposure to a commercial and scalable technology applied to the remediation of waste coal mines. The technology produces a high quality, saleable energy source from what would otherwise be a problematic waste product. Under the terms of the investment agreement CIA invested US$500,000 (£372,003) in return for a 2.5% holding in the ordinary share capital of CASA and CoalTech.

The investment was subsequently completed, and the acquisition consideration transferred, on 8 May 2018.

9. Trade and other receivables

	2018 £
Prepayments and accrued income	5,080

Notes to the Financial Statements (continued)
for the period ended 30 September 2018

10. Trade and other payables

	2018 £
Trade payables	10,622
Accrued expenses	12,000
	22,622

11. Share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
161,100,000	Ordinary	0.25	402,750

All issued shares were fully paid.

Shares were issued during the year as follows:	Date issued	Number of shares issued
Shares issued upon incorporation of the Company	18 September 2017	20,000,000
Share allotment on 17 November 2017	17 November 2017	136,100,000
Share allotment on 2 August 2018	2 August 2018	5,000,000
At 30 September 2018		**161,100,000**

12. Reserves

	Retained earnings £	Share premium £	Totals £
Loss for the period	(204,078)		(204,078)
Share premium arising on issue of shares (net of issue costs)	-	210,750	210,750
At 30 September 2018	(204,078)	210,750	6,672

Notes to the Financial Statements (continued)
for the period ended 30 September 2018

13. Financial instruments

The Company's financial instruments comprise an investment, bank balances, other receivables, trade payable and other payables all arising in the normal course of business. The purpose of these financial instruments is to finance the Company's operations.

The Company manages liquidity risk and cash flow risk by monitoring its cash balances and ensuring that funds are available to meet liabilities as they fall due. The Company's core funding to date comes from the proceeds of share issues.
The Company's exposure to change in interest rates relates primarily to cash at bank. Cash is held on either current or on short term deposits at floating rates of interest determined by the relevant bank's prevailing base rate.

The carrying values of the Company's financial assets and liabilities are summarised by category below:

	2018
	£
Financial assets	
Available for sale financial assets	358,362
Loans and receivables	5,080
Cash and cash equivalents	68,602
	432,044
Financial liabilities (amortised cost)	
Trade and other payables	22,622
	22,622

The fair value of the Company's recorded financial assets and liabilities does not materially differ from their book values.

14. Related party disclosures

During the period ended 30 September 2018, £17,000 was paid to Mr N Lyons for his services as a director of the Company and £25,000 for share placing commission, £13,200 was paid to Firmitas Energy Advisers Limited in relation to Dr A Matharu's services as a director of the Company and £25,500 was paid to Arkosund Consulting Group Limited in relation to Mr S Preece's services as a director of the Company.

15. Events after the reporting period

On 11 January 2019. the Company signed a binding Sales and Purchase Agreement to acquire the remaining 97.5% of CoalTech LLC ("CoalTech") and the remaining 97.5% of Coal Agglomeration South Africa (Pty) Ltd ("CASA"). The current investment is included within investments in note 8. The Company is working towards completing the transaction and re-admitting itself back to the NEX Exchange Growth Market.