VALIANT INVESTMENTS PLC

2017
ANNUAL REPORT

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VALIANT INVESTMENTS PLC

COMPANY INFORMATION

Directors	Mr C Windham Mr E Taylor
Secretary	Mr E Taylor
Company number	06010900
Registered office	6 High Street Ely Cambridgeshire CB7 4JU
Auditor	Price Bailey LLP Price Bailey Chartered Accountants 6 High Street Ely Cambridgeshire CB7 4JU

To Our Shareholders

Valiant Investments is a holding company with a diversified portfolio of interests. We take a long-term approach to building the Group, working to set firm foundations today, so as to ensure a path of solid and continual growth in the years ahead.

The 2017 financial year saw good progress for Valiant, led by the performance of the Group's 84.7% owned subsidiary, Flamethrower plc.

FLAMETHROWER PLC

Flamethrower commenced its operations in mid-2016, with a strategy to build a portfolio of digital assets, comprising apps, domain names, and, more latterly, websites. Over the past 12 months the focus has predominantly been on acquiring websites. More recently, in the last five months, we have allocated a portion of the free cash flow generated by operations to build a portfolio of investments in listed companies. The development and performance of each division is as follows:

WEBSITES

Over the past 12 months Flamethrower has acquired three websites of significance, namely, MinecraftCommand.Science for US$25,000 in May 2017, FootballTipsFC.com for £40,000 in August 2017, and National-Preservation.com for US$17,500 in March 2018. All three websites have been profitable on a monthly basis, with healthy operating margins.

MinecraftCommand.Science is a website that allows users to generate and share commands for use in Minecraft, a multi-platform sandbox video game that enables players to design and create their own constructions in a 3D procedurally generated virtual landscape.

At the time of acquiring the website, it had in the region of between 200,000 – 250,000 unique users each month, with between 1,600,000 – 2,000,000 monthly page views. Data from the past six months confirms that the website continues to have between 200,000 – 250,000 unique users each month, although the number of page views has declined to between 1,000,000 – 1,200,000 per month.

MinecraftCommand.Science is monetised through publishing adverts, and we acquired the website on an estimated earnings multiple of around 3.5. However, I am pleased to report that the growth in revenue and profit we have achieved from the site means that it will have repaid the acquisition cost by the end of its first year anniversary.

Since acquiring the site we have expanded it through introducing a forum for users to discuss Minecraft topics, upgraded to a more powerful server, and introduced an online store through an affiliate arrangement. Unfortunately users were not interested in using the store, and so we have closed this down.

Overall though the acquisition of MinecraftCommand.Science has been very good for Flamethrower, and the free cash flow we anticipate it will generate in the years ahead should be multiples of the cost of acquisition.

In August 2017 we announced the acquisition of FootballTipsFC.com for a cash consideration of £40,000. The website provides football betting tips to registered users through monthly, quarterly, and annual subscriptions. Shortly after completing the acquisition we took the decision to outsource the running of the website to one of the original founders, which is a cost that we did not originally envisage, the goal having originally been to operate the website in-house.

Whilst this will serve to increase the earnings multiple the website has been acquired on, it has nonetheless generated a healthy profit each month, with operating margins averaging 50.54% per month (September 2017 – March 2018).

The most recent acquisition, in March 2018, was National-Preservation.com, a forum website, acquired for a cash consideration of US$17,500, that is focussed primarily on British railway heritage, providing users a platform to discuss a wide range of topics associated with railways and British heritage.

National-Preservation.com was established in 2005, and has grown to become the leading forum for the discussion of railway and heritage topics in the UK, with just under 10,000 registered users. The website is monetised through publishing adverts, and was acquired on an estimated earnings multiple of around 2.5.

Its current financial performance is in line with our expectations, meaning that revenue and profit is in line with the historic figures on which the acquired earnings multiple was calculated.

Over the last 12 months we have also acquired two smaller websites, MinecraftDLS.com for a cash consideration of US$2,150 and Bus-Games.com for a cash consideration of US$3,000. Both websites are profitable, although the revenue generated by them makes up a tiny proportion of Flamethrower's overall revenue.

During the course of 2017 we launched AppsForMinecraft.com to promote Flamethrower's portfolio of apps for Minecraft, which is promoted through our MinecraftCommand.Science website. We are unable to track the conversions of users who visit the site who go on to install one of our apps for Minecraft, but user numbers are satisfactory and the cost of maintaining the website is minimal.

APPS

I am pleased to advise that Flamethrower is fast approaching a unique milestone of achieving 1,000,000 downloads on the Apple App Store since opening its developer account in mid-2016.

In my interim report to shareholders in August 2017, I stated that Flamethrower's business model was evolving to focus more on website ownership over apps, which has continued to be the case. The reasoning behind this decision was to give Flamethrower more autonomy over its future growth without being reliant on the two major app store platforms owned by Apple and Google.

I believe the financial performance of the websites we have acquired has more than justified this decision, and ensures that Flamethrower is no longer beholden to the developments at the two major App Store platforms for its principal source of revenue.

During the course of 2017 we only acquired two apps, both for Mac, being iCraft – Crafting Tutorials For Minecraft, and House Ideas And Cheats Guide For Minecraft, for a cash consideration of US$1,400. Both apps are priced at tier 5 (£4.99) on the Mac App Store.

We have also reduced the number of social casino apps owned by Flamethrower in recent months by selling these to other developers, in most cases either at cost or achieving a modest profit.

Going forward we envisage Flamethrower's app portfolio playing a smaller role in overall operations, but still nonetheless being a part of future developments.

The performance of the app portfolio in the current financial year has been very good, which is testament to the quality of the portfolio we have built. Based on current projections, we anticipate achieving 1,000,000 downloads on the Apple App Store during this summer, which is pleasing.

DOMAIN NAMES

We have recently acquired five new domain names, although this continues to be a smaller and longer-term aspect of Flamethrower's development. The five domain names, which were acquired for a cash consideration of £2,000, were MediaFeeds.com, LockStore.com, Gungy.com, LQEX.com, and UFBS.com, whilst we also acquired GamingBooth.com for a cash consideration of $500 in September 2017.

Other domain names that Flamethrower continues to hold include ComputerPlace.com, WhatClub.com, HottestThing.com, and ScrapHeaps.com.

INVESTMENTS

In December 2017 we advised that we would be investing part of the free cash flow generated from Flamethrower's operations to build a portfolio of investments in quoted companies. Currently Flamethrower holds the following investments:

Company	Shares Held	Average Price Paid (pence)
Caledonia Mining	1,125	515
Cerillion	1,400	151
H&T Group	1,200	333.6
United Carpets Group	59,000	8.5
Zytronic	375	510

We, ideally, want to take a long-term approach with the investments made by Flamethrower, and view the positions as interests in businesses, rather than concerning ourselves with the day-to-day or week-to-week fluctuations in their share prices. If the businesses are successful, then our returns should be attractive. To quote Ben Graham: *"In the short run, the market is a voting machine; in the long run, however, it becomes a weighing machine."*

The five investments made are all in dividend paying companies listed on the London Stock Exchange's AIM Market. We look forward to building the portfolio further in the months ahead, but I should caution that the extent of new capital that is deployed to the portfolio is contingent upon requirements elsewhere in the business.

OTHER

We are currently working with our legal team to ensure that all our websites are compliant with the European Union's General Data Protection Regulation (GDPR) that comes into force on 25 May 2018. These new rules replace the current Data Protection Directive, and are the biggest change in data privacy regulation for 20 years.

Finally, in September 2017, Flamethrower entered into a lease for premises at Pacific House on the Sovereign Harbour Innovation Park in Eastbourne, East Sussex. Pacific House is home to a number of SME's, and we are pleased to be based there in the beautiful seaside town of Eastbourne.

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VALIANT – SHAREHOLDING IN TETRA BIO-PHAMA INC.

Moving back to developments at the parent, Valiant, I am pleased to advise that an investment made several years ago by the Company has performed well over the past 12 months, namely Tetra Bio-Pharma. A potted history of events is as follows. Back in 2010, Mazorro Resources Inc. ("Mazorro"), which was listed on Canada's TSX Venture Exchange, acquired several mineral exploration permits in the Democratic Republic of Congo, which were owned by Congo Mining Company SPRL ("COMINCO"), an investee company of Valiant's. Following the transaction between COMINCO and Mazorro, Valiant subsequently received 120,000 shares in Mazorro.

In 2014 Mazorro consolidated its ordinary shares on the basis of one new share for every two outstanding, which resulted in Valiant holding 60,000 shares in Mazorro.

Later in 2014, Mazorro changed focus and name to become GrowPros Cannabis Ventures Inc. ("GrowPros"), and focus on the medical marijuana industry. In 2016, following its diversification into biopharmaceutical cannabinoid-based drug discovery and development, GrowPros changed its name to Tetra Bio Pharma.

Today, therefore, Valiant holds 60,000 shares in Tetra Bio-Pharma, shares in which, at the time of writing, are trading at CAD$0.71, valuing the position at CAD$42,600.

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ALL STAR MINERALS

During 2017 we extended the £20,000 Convertible Loan Note provided to All Star Minerals plc for a further 12 months to May 2018. The Convertible Loan Note continues to carry fixed interest of 20% per annum, payable annually through the issue of ordinary shares in All Star Minerals plc ("All Star") at a price of 0.1p.

Valiant continues to hold 10,260,712 shares in All Star, which, at the time of writing, are trading at 0.13p, valuing the position at £13,338.

All Star is an investment vehicle listed on the NEX Growth Market, that is seeking a transaction, and which holds 5,519,545 shares in NQ Minerals plc, shares in which are also listed on the NEX Growth Market. At the time of writing, shares in NQ Minerals plc are trading at 10.5p, which values All Star's shareholding at £579,552.

In its most recent quarterly update of January 2018, All Star advised that it had continued to review a number potential opportunities, and that its board is focused on securing a suitable transaction.

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GROAFRICA LTD

In August 2016, GroAfrica Ltd announced that it had executed a supply agreement with Zambian Breweries plc for the supply of cassava for the production of Eagle Lager. The project is making a significant contribution to rural farming in the Luapula Province and the surrounding region, through increasing the productivity of 4,000 small-scale farmers, allowing them to feed their families and generate an income.

In 2017 GroAfrica expanded its supply of dried cassava to Zambian Breweries to 3,000 metric tons, up from 1,130 metric tons in 2016, whilst in 2018 further growth is projected, with 5,000 small-scale farmers supplying cassava to collection points in Luapula and Northern Provinces of Zambia. We understand that GroAfrica is also developing plans for downstream and value-added cassava-based products in 2018. Valiant holds 1.75% of the equity of GroAfrica Ltd.

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FINANCIALS

The financial results for the 12-month period to 30 November 2017 show turnover of £56,832 (2016: £7,773), which reflects the revenue generated by Valiant's 84.7% owned subsidiary, Flamethrower plc. The loss after taxation was £215,761 (2016: £213,457), and the basic loss per share was 0.02p (2016: 0.03p).

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OUTLOOK

I am pleased to report that for Flamethrower plc the current financial year has got off to a good start, with both turnover, and, more importantly, free cash flow, up on 2017. This is a result of owning more revenue generating assets within the portfolio, and better monetizing certain assets.

For Flamethrower, there are two objectives over the next year. Firstly, to grow the investment portfolio, which, in time, I believe will strengthen per share book value through the compounding effects of capital appreciation and dividend income. Secondly, to grow the digital asset portfolio through making prudent acquisitions as they arise.

The ironic juxtaposition of these two objectives is that in the short-term the amortisation of the intangible assets owned by Flamethrower will, to some degree, reduce the per share book value, whilst, I hope, the investment portfolio will serve to grow the per share book value. Furthermore, as Flamethrower acquires further digital assets there will be more intangibles to be amortised. In time the amortisation charge will fully write off the asset, but, I believe, come this point, the asset, notably websites, will continue to generate free cash flow, thereby making the earnings Flamethrower reports appear more attractive without much change in the underlying economic performance.

The acquisitions made to date have all been successful, and I hope this will continue to be the case going forward. Taking a prudent and measured approach to building Valiant Investments will result in greater rewards in the long term, rather than over-leveraging and risking what we have.

I look forward to updating shareholders on developments at Valiant in the weeks ahead, and to building on the progress made at the Group over the last 12 months.

Conrad Windham
CEO, Valiant Investments plc
27 April 2018

VALIANT INVESTMENTS PLC
STRATEGIC REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2017

The Directors present the Strategic Report for the year ended 30 November 2017.

Valiant Investments plc is an investment company focused on venture capital through investing in small, fledgling companies that demonstrate the opportunity for attractive levels of growth and returns on investment. Valiant Investments plc is listed on the NEX Exchange Growth Market.

FAIR REVIEW OF THE BUSINESS

Investments

Flamethrower plc

Valiant Investments owns 84.7% of the issued share capital of Flamethrower plc, which is the Company's principal investment.

Flamethrower owns a portfolio of digital assets, comprised of websites, apps, and domain names, whilst it also owns a portfolio of investments in listed companies.

APPS

Flamethrower commenced its operations in May 2016, with a primary focus of building a portfolio of apps, predominantly for iOS devices, but also including Mac and Android devices. These apps are available for download from the Apple App Store, and the Google Play Store, and we believe that the portfolio will surpass over 1,000,000 downloads during summer 2018.

The apps earn revenue for Flamethrower through a combination of either direct sale, in-app purchases, or publishing adverts. Those apps that are free to install will typically be monetized through publishing ads, whilst also offering users the chance to pay to remove ads, which is an upsell mechanism that we believe is attractive to users and the company.

In 2017 we took the decision to broaden Flamethrower's portfolio of digital assets to also include websites, which has now become the main focus for the company.

The decision to change focus from apps was two-fold. Firstly, the mobile devices on which apps are used are constantly evolving, which in turn ensures that developers are expected to update their apps so as to function with new versions of the operating system, which brings with it associated costs. For example, when Flamethrower commenced the construction of its app portfolio, the most recent mobile operating system to be released by Apple was iOS 9, which was released in September 2015. Subsequently iOS 10 was released in September 2016, and iOS 11 was released in September 2017.

Whilst older apps can still function on the latest versions of the mobile operating systems, it is favourable that they are updated to function on the latest versions.

Secondly, Apple can and has, at its discretion, updated its App Store Guidelines for developers to introduce new policies that can adversely affect existing apps that have been released. Ultimately, whilst these decisions are taken by Apple to improve the user experience of the App Store, they can nonetheless have negative effects on the developer community.

This can bring with it challenges and risks. The challenges are updating apps to meet these requirements stipulated by Apple, and the risks are that such updates might still be rejected by reviewers, and/or certain apps might be removed from sale from the App Store at the discretion of Apple. In summation, developers are at the mercy of the owners of the app platforms, of which the two major ones are owned by Apple and Google, who have monopolies on iOS and Android platforms respectively.

Accordingly, in order to mitigate such risks and challenges, we took the decision to broaden Flamethrower's focus to include owning websites, which would give the company a greater degree of autonomy than it had with its app portfolio. Furthermore, we also took the decision to reduce the number of apps within Flamethrower's portfolio, and have sold several casino apps, in most cases either at cost or achieving a modest profit. We envisage further reducing the number of apps within Flamethrower's portfolio over the coming months, and to focus on the best performing apps within the portfolio.

WEBSITES

Over the past 12 months Flamethrower has acquired three websites of significance, namely, MinecraftCommand.Science for $25,000 in May 2017, FootballTipsFC.com for £40,000 in August 2017, and National-Preservation.com for $17,500 in March 2018. All three websites are profitable each month, with healthy operating margins.

MinecraftCommand.Science is a website which allows users to generate and share commands for use in Minecraft, a multi-platform sandbox video game that enables players to design and create their own constructions in a 3D procedurally generated virtual landscape.

At the time of acquiring the website, it had in the region of between 200,000 – 250,000 unique users each month, with between 1,600,000 – 2,000,000 monthly page views. Data from the past six months confirms that the website continues to have between 200,000 – 250,000 unique users each month, although the number of page views has declined to between 1,000,000 – 1,200,000 per month.

MinecraftCommand.Science is monetized through publishing adverts, and we acquired the website on an estimated earnings multiple of around 3.5. The growth in revenue and profit achieved from the site under Flamethrower's stewardship means that it will have repaid the acquisition cost come the end of our first year of owning the website.

Since acquiring the site we have expanded it through introducing a forum for users to discuss Minecraft topics, upgraded to a more powerful server, and introduced an online store through an affiliate arrangement. Unfortunately users were not interested in using the store, and so we have closed this down.

Overall though the acquisition of MinecraftCommand.Science has been very good for Flamethrower, and the free cash flow we anticipate it will generate in the years ahead should be multiples of the cost of acquisition.

In August 2017 we announced the acquisition of FootballTipsFC.com for a cash consideration of £40,000. The website provides football betting tips to registered users through monthly, quarterly, and annual subscriptions. Shortly after completing the acquisition we took the decision to outsource the running of the website and its social media platform to one of the original founders, which is a cost that we did not originally envisage, the goal having originally been to operate the website and social media in-house.

Whilst this will serve to increase the earnings multiple the website has been acquired on, it has nonetheless generated a healthy profit each month, with operating margins averaging 50.54% per month (September 2017 – March 2018).

The main risk in owning such a site is that it experiences a bad run of tips and users cancel their subscriptions. Betting is an activity where the main motivations are primarily money-centric, entertainment, and social interaction, but the retention of customers can be adversely affected by financial loss, whilst the barriers to entry for a football tipping website are not particularly high.

We are, however, pleased with the performance of FootballTipsFC.com since acquiring the website, which has been cash-flow positive each month, and which continues to have an active following and level of activity on Twitter.com.

In March 2018 we announced the acquisition of National-Preservation.com, a forum website, which was acquired for a cash consideration of $17,500, and which is focussed primarily on British railway heritage, providing users a platform to discuss a wide range of topics associated with railways and British heritage.

National-Preservation.com was established in 2005, and has grown to become the leading forum for the discussion of railway and heritage topics in the UK, with just under 10,000 registered users. The website is monetized through publishing adverts, and was acquired on an estimated earnings multiple of around 2.5.

Its current financial performance is in line with our expectations, meaning that revenue and profit is in line with the historic figures on which the acquired earnings multiple was calculated.

There are two main risks with owning websites where the business models rely solely on generating revenue from advertising. The first is that users cease to visit such websites, deeming the adverts too intrusive, annoying, or irrelevant, and adversely affecting their enjoyment of the website. The second risk is the worldwide increase in the use of ad-blocking software, which has been estimated to cost global publishers over $27 billion in lost revenue by 2020. Whilst these are risks that we are cognisant of, the revenue generated from our advertising-based websites remains strong, albeit subject to seasonal fluctuations (i.e. ad spend in Western markets peaks in November and December.)

Over the last 12 months we have also acquired two smaller websites, MinecraftDLS.com for a cash consideration of $2,150 and Bus-Games.com for a cash consideration of $3,000. Both websites are profitable, although the revenue generated by them makes up a tiny portion of Flamethrower's overall revenue.

During the course of 2017 we launched AppsForMinecraft.com to promote Flamethrower's portfolio of apps for Minecraft, which is promoted through our MinecraftCommand.Science website. We are unable to track the conversions of users who visit the site who go on to install one of our apps for Minecraft, but user numbers are satisfactory and the cost of maintaining the website is minimal.

DOMAINS

Over the past 12 months Flamethrower has acquired five new domain names, which continues to be a smaller and longer-term aspect of Flamethrower's development. The five domain names, which were acquired for a cash consideration of £2,000, were MediaFeeds.com, LockStore.com, Gungy.com, LQEX.com, and UFBS.com, whilst we also acquired GamingBooth.com for a cash consideration of $500 in September 2017.

Other domain names that Flamethrower continues to hold include ComputerPlace.com, WhatClub.com, HottestThing.com, and ScrapHeaps.com.

The main risks we see with owning domains is that liquidity is limited, and in a firesale situation the domains might sell for less than their purchase price. Furthermore, it might take some time before a suitable offer is made for a domain at a price closer to its fair value as perceived by the seller (i.e. Flamethrower).

INVESTMENTS

In December 2017 we took the decision to start investing part of the free cash flow generated by Flamethrower's operations to build a portfolio of investments in quoted companies. Currently Flamethrower holds the following investments:

Company	Shares Held	Average Price Paid (pence)
Caledonia Mining	1,125	515
Cerillion	1,400	151
H&T Group	1,200	333.6
United Carpets Group	59,000	8.5
Zytronic	375	510

The rationale behind building a portfolio of investments is that we believe the free cash flow generated by Flamethrower can be better served by being invested in other businesses rather than sitting idle on the balance sheet earning a miniscule return, which is why a part of the free cash flow generated by operations is now directed toward building a portfolio of investments in quoted companies.

We, ideally, want to take a long-term approach with the investments made by Flamethrower, and view the positions as interests in businesses, rather than concerning ourselves with the day-to-day or week-to-week fluctuations in their share prices. If the businesses are successful, then our returns should be attractive. To quote Ben Graham: "In the short run, the market is a voting machine; in the long run, however, it becomes a weighing machine."

Whilst the main risk with an investment portfolio is that the share prices perform disappointingly, with the worst-case scenario being an entire loss of capital, our mandate is to invest and not speculate, preferring to take a long-term approach. As Warren Buffet wrote in his 1989 letter to shareholders of Berkshire Hathaway Inc., "Time is the friend of the wonderful business, the enemy of the mediocre."

The five investments made are all in dividend paying companies listed on the London Stock Exchange's AIM Market. We look forward to building the portfolio further in the months ahead, but I should caution that the extent of new capital that is deployed to the portfolio is contingent upon requirements elsewhere in the business.

OTHER

We are currently working with our legal team to ensure that all our websites are compliant with the European Union's General Data Protection Regulation (GDPR) that comes into force on 25 May 2018. These new rules replace the current Data Protection Directive, and are the biggest change in data privacy regulation for 20 years.

The risks of not complying with GDPR can lead to fines of up to €20 million or up to 4% of total global revenue of the preceding year, whichever is the greater. We recognise the importance of complying with GDPR, and to ensuring our websites are compliant ahead of 25 May 2018.

Finally, in September 2017, Flamethrower entered into a lease for premises at Pacific House on the Sovereign Harbour Innovation Park in Eastbourne, East Sussex. The lease carries a three-month break cause, thereby ensuring that the financial obligation on Flamethrower to exit the lease, should it so desire, is not onerous.

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VALIANT – OTHER INVESTMENTS

TETRA BIO-PHARMA INC.

Moving back to developments at the parent, Valiant, I am pleased to advise that an investment made several years ago by the Company has performed well over the past 12 months, namely Tetra Bio-Pharma Inc.

A potted history of events is as follows. In 2010, Mazorro Resources Inc. ("Mazorro"), which was listed on Canada's TSX Venture Exchange, acquired several mineral exploration permits in the Democratic Republic of Congo, which were owned by Congo Mining Company SPRL ("COMINCO"), an investee company of Valiant's. Following the transaction between COMINCO and Mazorro, Valiant subsequently received 120,000 shares in Mazorro.

In 2014 Mazorro consolidated its ordinary shares on the basis of one new share for every two outstanding, which resulted in Valiant holding 60,000 shares in Mazorro.

Later in 2014, Mazorro changed focus and name to become GrowPros Cannabis Ventures Inc. ("GrowPros"), and focus on the medical marijuana industry. In 2016, following its diversification into biopharmaceutical cannabinoid-based drug discovery and development, GrowPros changed its name to Tetra Bio Pharma.

Today, therefore, Valiant holds 60,000 shares in Tetra Bio-Pharma, shares in which, at the time of writing, are trading at CAD$0.71, valuing the position at CAD$42,600.

Whilst we are pleased with the performance of Tetra Bio-Pharma, we are cognisant of the euphoria surrounding the medicinal cannabis sector, which has led to heady capitalisations that are difficult to justify through traditional valuation metrics.

We believe that Tetra Bio-Pharma is one of the more quality businesses engaged in the medicinal cannabis sector, and note the gross proceeds of $16 million raised at a share price of $1.00 during the first quarter of 2018. Towards the end of the first quarter of 2018, the company was also added to the Horizons Marijuana Life Sciences Index, managed by Horizons ETFs Management (Canada) Inc., which is a further endorsement of the progress made by Tetra Bio-Pharma.

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ALL STAR MINERALS

During 2017 we extended the £20,000 Convertible Loan Note provided to All Star Minerals plc for a further 12 months to May 2018. The Convertible Loan Note continues to carry fixed interest of 20% per annum, payable annually through the issue of ordinary shares in All Star Minerals plc ("All Star") at a price of 0.1p.

Valiant continues to hold 10,260,712 shares in All Star, which, at the time of writing, are trading at 0.13p, valuing the position at £13,338.

All Star is an investment vehicle listed on the NEX Growth Market, that is seeking a transaction, and which holds 5,519,545 shares in NQ Minerals plc, shares in which are also listed on the NEX Growth Market. At the time of writing, shares in NQ Minerals plc are trading at 12p, which values All Star's shareholding at £662,345.

In its most recent quarterly update of January 2018, All Star advised that it had continued to review a number of potential opportunities, and that its board is focused on securing a suitable transaction.

Our view of the investment in All Star Minerals is unchanged from the previous strategic review, which is that we view the position in All Star Minerals as a long-term investment, with the position in NQ Minerals providing a degree of downside protection, as well as being an asset the company could look to liquidate to assist with its plans of taking advantage of new opportunities.

We don't view the investment in All Star as being high-risk given the shareholding and value of the stake in NQ Minerals, although, equally, a depreciation in the share price of NQ could adversely affect the prospects for All Star going forward. We are comfortable with the position in All Star and the interest earned, payable in ordinary shares, on the unsecured convertible loan note.

GROAFRICA LTD

In August 2016, GroAfrica Ltd announced that it had executed a supply agreement with Zambian Breweries plc for the supply of cassava for the production of Eagle Lager. The project is making a significant contribution to rural farming in the Luapula Province and the surrounding region, through increasing the productivity of 4,000 small-scale farmers, allowing them to feed their families and generate an income.

In 2017 GroAfrica expanded its supply of dried cassava to Zambian Breweries to 3,000 metric tons, up from 1,130 metric tons in 2016, whilst in 2018 further growth is projected, with 5,000 small-scale farmers supplying cassava to collection points in Luapula and Northern Provinces of Zambia. We understand that GroAfrica is also developing plans for downstream and value-added cassava-based products in 2018. Valiant holds 1.75% of the equity of GroAfrica Ltd.

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PRINCIPAL RISKS AND UNCERTAINTIES

The following business risks and uncertainties are in addition to those already outlined within the section on Flamethrower plc:

Funding

The Company's dependence on raising capital from investors has been further reduced over the past year. To reiterate what we outlined in the 2015 strategic report, "the formation and ongoing development of the Flamethrower plc subsidiary should, in time, reduce the Company's dependence on raising capital from investors", which is firmly the case given the free cash flow generated by the business.

The capital raised over the past year has enabled us to continue to make acquisitions for Flamethrower that generate free cash flow, which predominantly is used to build a portfolio of investments in listed companies. It is hard to overstate the power that compounding can have on returns over time, which is why it is at the heart of our philosophy to growing Valiant Investments.

Whilst Valiant's dependence on raising capital from investors is much reduced, we believe that further capital raisings will continue to expedite the development of Flamethrower, and is preferable to taking on debt.

Foreign Exchange Risk

Flamethrower generates a proportion of its revenue in US Dollars, and therefore is exposed to the corresponding fluctuations associated with a foreign currency. Such currency movements could affect the sterling denominated financials of the Group.

Security of Listing on NEX Exchange Growth Market

The Company is no longer dependent on being listed on the NEX Exchange, or any other stock exchange, in order to progress. Hitherto, the listing has been essential in order for Valiant to secure capital from investors, but the development of Flamethrower over the past year and the associated growth in revenue and free cash flow, means that the reliance on raising capital and being listed on the exchange has been substantially reduced, to the point where Valiant could continue without a public listing.

Having said this, there is absolutely no intention on the Company's part to delist from the NEX Exchange Growth Market, or to seek a listing on another exchange. We believe that being listed on the NEX Exchange Growth Market is a suitable listing for Valiant, which provides the Company with the necessary facilities to develop and build value for shareholders. We believe that being listed on the NEX Exchange serves to expedite growth for all shareholders.

Dependence On Key Directors

The Company has a small board of two directors, so as to minimise costs as this early stage in its development, with particular dependence on Conrad Windham to advance the Flamethrower plc subsidiary, procure capital, identify suitable investment opportunities and implement the investment policy. Were death or severe illness to affect the ability of Conrad Windham to continue as a director and perform these functions then the success of the Company could be jeopardised.

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DEVELOPMENT AND PERFORMANCE

We are optimistic about the future of Valiant Investments, which has been transformed over the past year by the development and prospects for the Company's 84.7% owned subsidiary, Flamethrower plc. We intend to continue developing Flamethrower in the same vein over the months ahead through expanding the portfolio of apps and domain names, whilst we will also consider further diversifying Flamethrower into online opportunities.

Our ultimate goal is for Flamethrower to generate sufficient surplus capital that can be utilised by Valiant for making new investments, or expanding the Group through acquiring companies outright.

KEY PERFORMANCE INDICATORS

The financial results for the 12-month period to 30 November 2017 show turnover of £57,832 reflecting the revenue generated by Valiant's 84.7% owned subsidiary, Flamethrower plc. The loss after taxation was £215,761 (2016: £213,457), and the basic loss per share was 0.02p (2016: 0.03p).

Mr C Windham
Director
26 April 2018

VALIANT INVESTMENTS PLC
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2017

The Directors present their annual report and financial statements for the year ended 30 November 2017.

Directors

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:
Mr E Taylor
Mr C Windham

Results and dividends

The results for the year are set out on page 12.
No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Financial instruments

Financial risk management

Details of the Company's financial risk management objectives and policies are included in note 21 to the accounts.

Post reporting date events

The Company raised £85,000 through the placing of shares in between the date of approval of these accounts and the balance sheet date.

Auditor

The auditors, Price Bailey LLP, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Company's forthcoming Annual General Meeting.

Strategic report

The Group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the Group's Strategic Report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of future developments.

Statement of disclosure to auditor

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 auditor of the Company 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 auditor of the Company is aware of that information.

Mr E Taylor
Director
26 April 2018

VALIANT INVESTMENTS PLC

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 NOVEMBER 2017

The Directors are responsible for preparing the Annual 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 'the Financial Reporting Standard applicable to the UK and Republic of Ireland'. Under company law the the Directors must not approve the financial statements unless the Directors are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the 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 applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

VALIANT INVESTMENTS PLC
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VALIANT INVESTMENTS PLC

Opinion

We have audited the financial statements of Valiant Investments Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 November 2017 which comprise the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group 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 United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 November 2017 and of its for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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, 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 1.3 in the financial statements, which cast doubt over the entity's ability to continue as a going concern. This ability of the Company and Group to continue to trade is dependent on the Company and the Group being able to raise sufficient funds. As stated in note 1.3, these events or conditions, along with the other matters as set forth in note 1.3, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

Opinions on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a Group Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, 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 group's and the parent 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 group or the parent 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 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.

Paul Cullen FCCA (Senior Statutory Auditor)
for and on behalf of Price Bailey LLP

27 April 2018

Chartered Accountants
Statutory Auditor

Price Bailey Chartered Accountants
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

VALIANT INVESTMENTS PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2017

	Notes	2017 £	2016 £
Turnover	**3**	57,832	7,773
Cost of sales		(47,326)	(5,813)
Gross profit		10,506	1,960
Administrative expenses		(254,942)	(216,712)
Operating loss	**4**	(244,436)	(214,752)
Interest receivable and similar income	**8**	4,000	4,000
Listed investments movements		24,675	(2,705)
Loss before taxation		(215,761)	(213,457)
Taxation	**9**	-	-
Loss for the financial year and total comprehensive income		(215,761)	(213,457)
Loss for the financial year is attributable to:			
- Owners of the parent company		(212,038)	(202,167)
- Non-controlling interests		(3,723)	(11,290)
		(215,761)	(213,457)
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		(212,038)	(202,167)
- Non-controlling interests		(3,723)	(11,290)
		(215,761)	(213,457)

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

Basic and diluted earnings per share (pence)		(0.02)	(0.03)

VALIANT INVESTMENTS PLC
CONSOLIDATED BALANCE SHEET
AS AT 30 NOVEMBER 2017

		2017		2016	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	**10**		141,154		56,741
Tangible assets	**11**		4,719		1,319
Investments	**12**		60,519		31,844
			206,392		89,904
Current assets					
Debtors	**15**	27,508		7,663	
Cash at bank and in hand		3,606		16,470	
		31,114		24,133	
Creditors: amounts falling due within one year	**16**	(40,063)		(29,183)	
Net current liabilities			(8,949)		(5,050)
Total assets less current liabilities			197,443		84,854
Capital and reserves					
Called up share capital	**17**		1,158,159		829,809
Share premium account			1,042,510		1,042,510
Profit and loss reserves			(2,001,553)		(1,789,515)
Equity attributable to owners of the parent company			199,116		82,804
Non-controlling interests			(1,673)		2,050
			197,443		84,854

The financial statements were approved by the Board of Directors and authorised for issue on 26 April 2018 and are signed on its behalf by:

Mr E Taylor
Director

VALIANT INVESTMENTS PLC
COMPANY BALANCE SHEET
AS AT 30 NOVEMBER 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Investments	**12**		138,679		110,004
Current assets					
Debtors	**15**	183,599		49,853	
Cash at bank and in hand		951		13,924	
		184,550		63,777	
Creditors: amounts falling due within one year	**16**	(39,107)		(28,478)	
Net current assets			145,443		35,299
Total assets less current liabilities			284,122		145,303
Capital and reserves					
Called up share capital	**17**		1,158,059		829,809
Share premium account			1,042,510		1,042,510
Profit and loss reserves			(1,916,447)		(1,727,016)
			284,122		145,303

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's loss for the year was £189,431 (2016 - £139,668 loss).

The financial statements were approved by the Board of Directors and authorised for issue on 26 April 2018 and are signed on its behalf by:

Mr E Taylor
Director

Company Registration No. 06010900

VALIANT INVESTMENTS PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2017

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total controlling interest £	Non controlling interest £	Total £
Balance at 1 December 2015		551,977	1,042,510	(1,587,348)	7,139	-	7,139
Year ended 30 November 2016:							
Loss and total comprehensive income for the year		-	-	(202,167)	(202,167)	(11,290)	(213,457)
Issue of share capital	**17**	277,832	-	-	277,832	-	277,832
Acquisition of non-controlling interests		-	-	-	-	13,340	13,340
Balance at 30 November 2016		829,809	1,042,510	(1,789,515)	82,804	2,050	84,854
Year ended 30 November 2017:							
Loss and total comprehensive income for the year		-	-	(212,038)	(212,038)	(3,723)	(215,761)
Issue of share capital	**17**	328,350	-	-	328,350	-	328,350
Balance at 30 November 2017		1,158,159	1,042,510	(2,001,553)	199,116	(1,673)	197,443

VALIANT INVESTMENTS PLC
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2017

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 December 2015		551,977	1,042,510	(1,587,348)	7,139
Year ended 30 November 2016:					
Loss and total comprehensive income for the year		-	-	(139,668)	(139,668)
Issue of share capital	**17**	277,832	-	-	277,832
Balance at 30 November 2016		829,809	1,042,510	(1,727,016)	145,303
Year ended 30 November 2017:					
Loss and total comprehensive income for the year		-	-	(189,431)	(189,431)
Issue of share capital	**17**	328,350	-	-	328,250
Balance at 30 November 2017		1,158,159	1,042,510	(1,916,447)	284,122

VALIANT INVESTMENTS PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 NOVEMBER 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Cash flows from operating activities					
Cash absorbed by operations	**23**		(208,559)		(211,541)
Cash flow from investing activities					
Purchase of intangible assets		(129,236)		(62,554)	
Proceeds on disposal of intangibles		530		-	
Purchase of tangible fixed assets		(3,949)		(1,407)	
Purchase of shares in subsidiary from noncontrolling interest		-		13,340	
Proceeds on disposal of fixed asset investments		-		739	
Net cash used in investing activities			(132,655)		(49,882)
Cash flow from financing activities					
Proceeds from issue of shares		328,350		277,832	
Net cash generated from financing activities			328,350		277,832
Net (decrease)/increase in cash and cash equivalents			(12,864)		16,409
Cash and cash equivalents at beginning of year			16,470		61
Cash and cash equivalents at end of year			3,606		16,470

1. Accounting policies

Company information

Valiant Investments Plc ("the Company") is a public company, limited by shares, domiciled and incorporated in England and Wales within the UK whose shares are listed on the NEX Exchange. The registered office is 6 High Street, Ely, Cambridgeshire, CB7 4JU.

The Company is an investment Company focussed on venture capital through investing in small, fledgling companies that demonstrate the opportunity for attractive levels of growth and return on investments. The Group consists of Valiant Investments Plc and all of its subsidiaries.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of Valiant Investments Plc and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 30 November 2017. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The group profit and loss account and statement of cash flows include the results and cash flows of the subsidiary companies, Flamethrower Limited and Slot Right In Limited.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the equity method.

1.3 Going concern

The Directors have considered the cash flow requirement of the company over the next 12 months from the date of signing this report. If the company is to continue to meet its operational costs, it will be necessary to continue to raise additional funds. Whilst it is difficult in the current economic climate to generate the extra funds required, the Directors expect to meet the funding requirements and therefore believe that the going concern basis is appropriate for the preparation of the financial statements.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. In respect of turnover in relation to Apps, revenue is recognised at the point of payment when the user has taken delivery of the app and/or enjoyed the usage thereof.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Software Apps	3 years straight line

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Other assets	25% on cost
Office equipment	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

The convertible loan note receivable is measured at fair value though profit or loss and interest receivable in the form of shares is recognised as interest receivable and similar income.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors 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. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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 or 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 or 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 group 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 group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 Reserves

The share premium accounts represents amounts paid or due to the Company which are in excess of the nominal value of the Company's shares. The profit and loss result represents the accumulated results of the Group and Company less and dividends paid or payable.

2. Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Fair value of unlisted investments

The company makes an estimate of the fair value of their unlisted investments. When assessing impairment, management considers factors including profitability, balance sheet strength, and historical experience. See note 12 for the net carrying amount of the investments and the associated impairment provision.

Useful economic lives of intangible and tangible fixed assets

The annual depreciation or amortisation charge for both tangible and intangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets concerned. These lives and values are re-assessed annually and are amended when necessary to reflect current estimates based on a number of factors such as economic utilisation and physical condition. See notes 1.5 and 1.6 for the useful economic lives of each class of assets.

3. Turnover and other revenue

The total turnover of the group for the year has been derived from the principal activity of its subsidiaries, Flamethrower Plc and Slot Right In Ltd, being the development and sale of mobile applications for use on smart phones and tablets.

4. Operating loss

	2017 £	2016 £
Operating loss for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	549	88
Amortisation of intangible assets	44,550	5,813
Profit on disposal of intangible assets	(257)	-
Operating lease charges	6,656	-

5. Auditor's remuneration

	£	£
Operating loss for the year is stated after charging/(crediting):		
Operating lease charges	13,000	7,980

6. Employees

	Group 2017 Number	2016 Number	Company 2017 Number	2016 Number
Directors	2	2	2	2

Their aggregate remuneration comprised:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Balance at 30 November 2017	153,700	111,700	153,700	97,700

7. Directors' remuneration

	2017 £	2016 £
Remuneration for qualifying services	153,700	97,700

8. Interest receivable and similar income

	2017 £	2016 £
Interest income		
Other interest income	4,000	4,000

9. Taxation

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Loss before taxation	(215,761)	(213,457)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	(41,534)	(42,691)
Tax effect of expenses that are not deductible in determining taxable profit	843	-
Unutilised tax losses carried forward	41,336	54,141
Permanent capital allowances in excess of depreciation	(645)	(11,629)
Effect of revaluations of investments	-	179
Taxation charge for the year	-	-

At 30 November 2017 the group had trading tax losses of £856,466 (2016: £886,538).

The main rate of UK corporation tax was reduced to 19% on 1 April 2017 and by 2020 it is proposed this rate will fall to 17%. No deferred tax asset has been recognised as recovery of the tax losses is not currently considered probable.

10. Intangible fixed assets

Group	Software Apps £
Cost	
At 1 December 2016	62,554
Additions - separately acquired	129,236
Disposals	(518)
At 30 November 2017	191,272
Amortisation and impairment	
At 1 December 2016	5,813
Amortisation charged for the year	44,550
Disposals	(245)
At 30 November 2017	50,118
Carrying amount	
At 30 November 2017	141,154
At 30 November 2016	56,741

The company had no intangible fixed assets at 30 November 2017 or 30 November 2016.

11. Tangible fixed assets

Group	Other assets £	Office equipment £	Total £
Cost			
At 1 December 2016	400	1,407	1,807
Additions	-	3,949	3,949
At 30 November 2017	400	5,356	5,756
Depreciation and impairment			
At 1 December 2016	400	88	488
Depreciation charged in the year	-	549	549
At 30 November 2017	400	637	1,037
Carrying amount			
At 30 November 2017	-	4,719	4,719
At 30 November 2016	-	1,319	1,319

Company	Other assets £
Cost	
At 1 December 2016 and 30 November 2017	400
Depreciation and impairment	
At 1 December 2016 and 30 November 2017	400
Carrying amount	
At 30 November 2017	-

12. Fixed asset investments

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Investments in subsidiaries	**13**	-	-	78,160	78,160
Listed investments		40,519	11,844	40,519	11,844
Unlisted investments		20,000	20,000	20,000	20,000
		60,519	31,844	138,679	110,004

Listed investments included above:

Listed investments carrying amount	40,519	11,844	40,519	11,844

Movements in fixed asset investments

Group	Investments other than loans £
Valuation	
At 1 December 2016	31,844
Additions	4,000
Valuation changes	24,675
At 30 November 2017	60,519
Carrying amount	
At 30 November 2017	60,519
At 30 November 2016	31,844

Movements in fixed asset investments

Company	Shares in group undertakings £	Investments £	Total £
Cost or valuation			
At 1 December 2016	78,160	31,844	110,004
Additions	-	4,000	4,000
Valuation changes	-	24,675	
At 30 November 2017	78,160	60,519	138,679
Carrying amount			
At 30 November 2017	78,160	60,519	138,679
At 30 November 2016	78,160	31,844	110,004

Included with investments is a convertible loan note with a principal of £20,000 on which interest accrues at the rate of 20% per annum. Interest is settled by the issue of shares in the underlying investment which is the NEX listed growth company, All Star Minerals plc. The convertible loan note is valued on a discounted cash flow basis using the market rate of interest for the convertible loan note. Interest received in the form of shares is includes in interest receivable and similar income with the shares received being added to the Company's investment portfolio.

13. Subsidiaries

Details of the Company's subsidiaries at 30 November 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Flamethrower Plc	United Kingdom	Information technology	Ordinary	84.70	
Slot Right In Ltd	United Kingdom	Information technology	Ordinary	100.00	

Both companies' registered offices are the same as that of the parent undertaking.

14. Financial instruments

	Group 2017 £	2016 £	Company 2017 £	2016 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	24,908	2,913	180,999	45,103
Financial assets measured at cost less impairment	-	-	78,160	78,160
Financial assets measured at fair value	60,519	31,844	60,519	31,844
Carrying amount of financial liabilities:				
Measured at amortised cost	40,063	29,183	39,107	28,478

15. Debtors

	Group 2017 £	2016 £	Company 2017 £	2016 £
Amounts falling due within one year:				
Amounts owed by group undertakings	-	-	156,190	42,190
Other debtors	24,908	2,913	24,809	2,913
Prepayments and accrued income	2,600	4,750	2,600	4,750
Prepayments and accrued income	27,508	7,663	183,599	49,853

16. Creditors: amounts falling due within one year

	Group 2017 £	2016 £	Company 2017 £	2016 £
Amounts falling due within one year:				
Trade creditors	12,563	6,883	11,607	6,178
Accruals and deferred income	27,500	22,300	27,500	22,300
	40,063	29,183	39,107	28,478

17. Share capital

	Group and company	
Ordinary share capital	**2017** **£**	**2016** **£**
Issued and fully paid		
1,158,058,666 (2016: 829,808,660) Ordinary shares of 0.1p each	1,158,059	829,809

Reconciliation of movements during the year:

	Ordinary Number
At 1 December 2016	829,808,666
Issue of fully paid shares	328,250,000
At 30 November 2017	1,158,058,666

Shares were issued as follows: 1 December 2016 - 40,000,000 for £40,000; 24 January 2017 - 34,000,000 for £34,000; 9 February 2017 - 15,000,000 for £15,000; 22 February 2017 - 8,000,000 for £8,000; 30 March 2017 - 47,750,000 for £47,750; 26 April 2017 - 22,000,000 for £22,000; 25 May 2017 - 45,000,000 for £45,000; 28 June 2017 - 49,500,000 for £49,500; 13 July 2017 - 3,000,000 for £3,000; 21 August 2017 - 10,000,000 for £10,000; 1 September 2017 - 10,000,000 for £10,000; 22 September 2017 - 10,000,000 for £10,000; 26 October 2017 - 12,000,000 for £12,000; 30 November 2017 - 22,000,000 for £22,000.

18. Events after the balance sheet date

The Company raised £85,000 through the placing of equity shares in between the date of approval of these financial statements and the balance sheet date.

19. Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		**Company**	
	2017 **£**	**2016** **£**	**2017** **£**	**2016** **£**
Within one year	10,744	-	-	-
Between two and five years	19,865	-	-	-
	30,609	-	-	-

20. Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017 £	2016 £
Aggregate compensation	153,700	97,700

The Group and Company traded with both Tearne Foulsham Limited (a company in which Mr E Taylor has an interest) and Not Remotely Limited (a company in which Mr C Windham has an interest) during the year. Tearne Foulsham Ltd charged the company £nil (2016: £498) in respect of fees, office costs and services during the year. Not Remotely Limited charged the company £nil (2016: £1,200) in respect of fees during the year. Mr C Windham charged the Company £141,100 (2016: £2,254) and Mr E Taylor charged the Company £503 (2016: £411) of expenses during the year.

21. Earnings per share

Basic Earnings per share are calculated by dividing net result for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. The weighted average number of shares outstanding for 2017 was 1,035,649,762 (2016: 678,205,134).

Diluted Earnings per share amounts are calculated by dividing the net result attributable to ordinary equity holders of the parent after adjustments for instruments that dilute basic earnings per share by the weighted average of ordinary shares outstanding during the period (adjusted for the effects of dilutive instruments). However, as the company is loss making the effect of any share options is anti-dilutive so a diluted EPS figure has not been presented.

22. Financial risk management objectives and policies

The Group and Company holds or issues financial instruments in order to achieve three main objectives, being:

(a) to finance its operations;

(b) to manage its exposure to interest and currency risks arising from its operations and from its sources of finance; and

(c) for trading purposes.

In addition, various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the Group and Company's operations.

The Group and Company do not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Group and Company are exposed are described below.

Interest rate risk

The Group and Company have no borrowings. The Group and Company do have an investment in a fixed interest convertible loan note which exposes both the Group and Company to fair value interest rate risk. This risk is limited as a result of the short duration of borrowings.

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group and Company. The main exposure to credit risk arises through the convertible loan note noted above. Management actively monitor the counterparty's financial condition to ensure that credit risk is maintained at an acceptable level.

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity risk

Liquidity risk is that the Group and Company might be unable to meet their financial obligations.

The Company has given responsibility of liquidity risk management to the Board who have formulated liquidity management tools to service this requirement.

Management of liquidity risk is achieved by monitoring budgets and forecasts and actual cash flows.

As disclosed in note 1.3 management expect to meet funding requirements through the raising of additional funds.

Market risk

Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates, interest rates and equity prices will affect the Group and Company's income or the value of its holding in financial instruments. The main exposure to price risk is in relation to the Company's equity investments which are held as part of the Company's investment strategy.

Foreign currency risk

The Group and Company do not have any direct exposure to foreign currency risk.

23. Group cash generated from group operations

	2017	**2016**
	£	**£**
Loss for the year after tax	(215,761)	(213,457)
Adjustments for:		
Investment income	(4,000)	(4,000)
Gain on disposal of intangible assets	(257)	-
Amortisation and impairment of intangible assets	44,550	5,813
Depreciation and impairment of tangible fixed assets	549	88
(Gain)/loss on sale of investments	-	1,811
Decrease/(increase) in fair value of listed investments	(24,675)	894
Movements in working capital:		
(Increase)/decrease in debtors	(19,845)	2,261
Increase/(decrease) in creditors	10,880	(4,951)
Cash absorbed by operations	(208,559)	(211,541)