

**GRAND FORTUNE HIGH GRADE LIMITED**

**CONSOLIDATED REPORTS AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2022**

**GRAND FORTUNE HIGH GRADE LIMITED**  
**CHAIRMAN'S STATEMENT**  
**FOR THE YEAR ENDED 30 APRIL 2022**

I am pleased to present the consolidated reports and financial statements for the year from 1 May 2021 to 30 April 2022. During the year, the Group reported a loss of £281,868 (loss of £399,083 for the period from 1 May 2020 to 30 April 2021) which arose from professional fees, salaries, wages, rent and office and general expenses in connection with the ongoing operations of the Group. As at the date of signing this report the Group has approximately £1.7 Million of cash balances.

Following its listing on the London Stock Exchange on 22 May 2017, the Group has been focused on the development of its financial training business in order to satisfy the significant demand for financial sector specialists in China. To assist in that development, the Group established a 100% owned subsidiary in Hong Kong – Grand Fortune High Grade (HK) Limited which in turn has a 100% owned subsidiary in mainland China – Shen Zhen Shi Ji Fu Education Information Consulting Co. Ltd. (and the consolidated financial statements presented herein comprise of the financial statements of Grand Fortune High Grade Limited, Grand Fortune High Grade (HK) Limited and Shen Zhen Shi Ji Fu Education Information Consulting Co. Ltd.).

Grand Fortune High Grade Limited held its shareholder meeting on 5 November 2021. All items proposed were approved by 100% of the votes cast at the meeting. Following the meeting, the Board of Directors was comprised of Wong Lee Chun (re-elected), Angus Irvine (re-elected) and Ko Kwan (elected).

The past three years have been challenging. The challenges of the COVID-19 pandemic have had a devastating effect on the global economy and on the ability of the Group to offer financial training courses in person. Despite the Group's best efforts, there has not been any revenue generated from its financial training business and the Group has not yet been successful in developing an online training platform. The implementation and success of the online training platform remains one of the biggest tests for the Group.

As the business activities develop, the Group will keep shareholders advised of its activities. We appreciate the assistance of our officers, directors and advisors as we work towards the development of our business.

“Wong Lee Chun”   
CHIEF EXECUTIVE OFFICER  
31 August 2022

**GRAND FORTUNE HIGH GRADE LIMITED**  
**DIRECTORS' CONSOLIDATED REPORT**  
**FOR THE YEAR ENDED 30 APRIL 2022**

**Directors' consolidated report**

The directors present their consolidated report together with the audited consolidated financial statements for the year ended 30 April 2022. The consolidated report fairly presents and discloses the financial position and the results at the dates and for the periods to which they apply.

**Principal activity and future developments**

Grand Fortune High Grade Limited (individually, or collectively with its subsidiary, Grand Fortune High Grade (HK) Limited ("GFHG HK") and GFHG HK's wholly owned subsidiary Shen Zhen Shi Ji Fu Education Information Consulting Co. Ltd. ("Ji Fu Education"), as applicable, the "Group") is focused on the development of its financial training business in order to satisfy the significant demand for financial sector specialists in China.

**Business review and management report**

The loss on ordinary activities for the year ended 30 April 2022 was £281,868 (loss of £399,083 for the year ended 30 April 2021).

The Group had cash at bank and in hand of £1,766,865 as at 30 April 2022. The principal risks and uncertainties that the Group faces are in developing its financial training business in China, which is a new market. The Group is aiming to tailor and deliver courses that are appropriate for the market but there is no guarantee there will be a sufficient demand for the courses offered.

The Group has not carried out any activities in the field of research and development.

There have been no subsequent events that have occurred since the end of the financial year.

**Dividends**

The directors do not recommend the payment of a final dividend for the year.

**Directors**

The following directors served during the year to 30 April 2022:

KIT LING LAW**	-	CHAIRMAN AND CHIEF FINANCIAL OFFICER
WONG LEE CHUN	-	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
ANGUS SIGURD IRVINE	-	NON-EXECUTIVE DIRECTOR
KO KWAN**	-	NON-EXECUTIVE DIRECTOR
ANTHONY WONNACOTT**	-	NON-EXECUTIVE DIRECTOR

\*\*Kit Ling Law resigned on 1 June 2021.

\*\*Ko Kwan was appointed on 1 October 2021.

\*\*Anthony Wonnacott resigned on 1 October 2021.

**GRAND FORTUNE HIGH GRADE LIMITED**  
**DIRECTORS' CONSOLIDATED REPORT**  
**FOR THE YEAR ENDED 30 APRIL 2022**

**(CONTINUED)**

**Substantial shareholdings**

Except for the interests of those persons set out below, the Directors are not aware of any interest which, at the date of this document would amount to 3% or more of Grand Fortune High Grade Limited's issued share capital:

<b><u>Name</u></b>	<b><u>Number of Ordinary Shares</u></b>	<b><u>Approximate % Holding</u></b>
Kit Ling Law	32,339,084	20.21%
Hundred River Ltd. (Wong Lee Chun)	31,996,100	19.99%

**Directors' Remuneration**

Directors' emoluments are detailed in Notes 8 and 12 to the accounts.

**Auditors**

A resolution re-appointing Crowe U.K. LLP as auditors of the Group was approved by shareholders at the annual general meeting held on 5 November 2021.

**Going concern**

The Group is focused on the development of a financial training business in China, and, apart from a small amount of interest receivable, it currently has no significant income stream. Until the training business has been adequately developed and is generating significant revenue, it is therefore dependent on its cash reserves to fund ongoing costs. At 30 April 2022, the Group's cash position was £1,766,865.

After reviewing the Group's budget for the period ending 31 October 2023 and its medium-term plans, the directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future.

For this reason, they continue to adopt the going concern basis in preparing the accounts.

**Financial risk management**

The Group's financial risk management objective is to minimise, as far as possible, the Group's exposure to such risk as detailed in note 14 to the accounts.

**GRAND FORTUNE HIGH GRADE LIMITED**  
**DIRECTORS' CONSOLIDATED REPORT**  
**FOR THE YEAR ENDED 30 APRIL 2022**

**(CONTINUED)**

**Principal Risks and Uncertainties Facing the Group**

The principal risks and uncertainties facing the Group are: (1) The Group's success is dependent on the successful development of a financial training business in China, and for the year ended 30 April 2022, apart from a small amount of interest receivable, the Group did not generate any revenue and there are no guarantees that the Group will develop a training business that will generate sufficient revenue to cover the expenses of the Group; and (2) Until the training business has been adequately developed and generating significant revenue, the Group is dependent on its cash reserves to fund ongoing costs – there are no guarantees that the Group will be successful in replenishing those cash reserves once depleted.

**COVID-19 Risks**

The emergency measures taken within mainland China and Hong Kong to combat the COVID-19 pandemic may continue, could be expanded, and could also be reintroduced in the future following relaxation. As these governments implement monetary and fiscal policy changes aimed to help stabilize economies and capital markets, we cannot predict legal and regulatory responses to concerns about the COVID-19 pandemic and related public health issues and how these responses may impact our business. The COVID-19 pandemic, actions taken within mainland China and in Hong Kong in response to it, and the ensuing economic downturn has caused significant disruption to business activities and economies. The depth, breadth and duration of these disruptions remain highly uncertain at this time. Furthermore, these governments are developing frameworks for the staged resumption of business activities. As a result, it is difficult to predict how significant the impact of the COVID-19 pandemic, including any responses to it, will be on the global economy and our business.

The impact of COVID-19 has significantly reduced the ability of the Group to currently provide its training programs in a face-to-face setting and the ability to provide face-to-face training programs in the future is uncertain. As a result, the Group is developing an online training platform for its offered programs. The implementation and success of this online training platform is uncertain.

**Corporate governance**

Due to the size and nature of the Group, it has not adopted the UK Corporate Governance Code. However, it has adopted corporate governance procedures as are appropriate for the size and nature of the Group and the size and composition of the Board. These corporate governance procedures have been selected with due regard to for the provisions of the UK Corporate Governance Code insofar as is appropriate. A description of these procedures is set out below:

- Due to the nature and size of the Group, it does not have separate audit, remuneration and nomination committees. The Board as a whole will instead review risk, compliance, and nominations matters, as well as the Board's size, structure, and composition, considering the interests of the Shareholders and the performance of the Group. Once the Group has achieved sufficient growth, the Board intends to put in place audit, remuneration and nomination committees;

**GRAND FORTUNE HIGH GRADE LIMITED**  
**DIRECTORS' CONSOLIDATED REPORT**  
**FOR THE YEAR ENDED 30 APRIL 2022**

**(CONTINUED)**

- the Board is not subject to the provisions of a formal governance code and given its present size do not intend to formally adopt any specific code nor any diversity policy, but will apply the principles of governance, set out in the UK Corporate Governance Code, once the Group has achieved sufficient growth;
- the Corporate Governance Code recommends the submission of all directors for re-election at annual intervals. One-third of Directors (or, where their number is not divisible by three, the nearest number not exceeding one-third) will be required to retire and seek re-elections on an annual basis; and
- the Company may seek to transfer from a Standard Listing to either a Premium Listing or other appropriate listing venue, based on sufficient growth, subject to fulfilling the relevant eligibility criteria at the time. If the Group is successful in obtaining a Premium Listing, further rules will apply to the Company under the Listing Rules and Disclosure and Transparency Rules and the Company will be obliged to comply with the Model Code and to comply or explain any derogation from the UK Corporate Governance Code.

**Auditors and disclosure of information**

The directors confirm that:

- there is no relevant audit information of which the auditor is unaware; and
- each Director has taken all the necessary steps he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

**Directors' responsibility statement**

The Directors are responsible for preparing the management report, annual report and the non-statutory consolidated financial statements in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority ("DTR") and with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

International Accounting Standard 1 requires that consolidated financial statements present fairly for each financial year the Group's consolidated financial position, consolidated financial performance and consolidated cash flows. This requires the faithful representation of transactions, other events and conditions in accordance with the definitions and recognition criteria for the assets, liabilities, income and expenses set out in the International Accounting Standards Board's "Framework for the Preparation and Presentation of Financial Statements".

**GRAND FORTUNE HIGH GRADE LIMITED**  
**DIRECTORS' CONSOLIDATED REPORT**  
**FOR THE YEAR ENDED 30 APRIL 2022**

**(CONTINUED)**

In virtually all circumstances, a fair representation will be achieved by compliance with all IFRS. Directors are also required to:

- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business;
- select suitable accounting policies and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable, and understandable information; and
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's consolidated financial position and financial performance.

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

The maintenance and integrity of the Grand Fortune High Grade Limited website is the responsibility of the Directors.

Legislation in the Cayman Islands governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

**GRAND FORTUNE HIGH GRADE LIMITED**  
**DIRECTORS' CONSOLIDATED REPORT**  
**FOR THE YEAR ENDED 30 APRIL 2022**

**(CONTINUED)**

The directors confirm, to the best of their knowledge that:

- the consolidated financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the consolidated assets, liabilities, financial position and profit or loss of the Group;
- the consolidated financial statements include a fair review of the development and performance of the business and the consolidated financial position of the Group, together with a description of the principal risks and uncertainties that it faces; and
- the annual report and consolidated financial statements, taken as a whole, are fair, balanced, and understandable and provide the information necessary for shareholders to assess the Group's performance, business model and strategy.

By order of the board

*Wong Lee Chun*  
CHIEF EXECUTIVE OFFICER  
31 August 2022





## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRAND FORTUNE HIGH GRADE LIMITED**

### **Opinion**

We have audited the financial statements of Grand Fortune High Grade Limited and its subsidiaries (the "Group") for the year ended 30 April 2022 which comprise consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statements of changes in equity, consolidated cash flow statements 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 group financial statements:

- give a true and fair view of the state of the group's affairs as at 30 April 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union;

### **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 group 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.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group's ability to continue to adopt the going concern basis of accounting included obtaining management's assessment of going concern, including a cash flow forecast through to the end of October 2023. We produced scenarios to stress test that forecast and to consider whether the Group has the cash resources to continue for at least the next 12 months.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
GRAND FORTUNE HIGH GRADE LIMITED  
(CONTINUED)**

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

**Overview of our audit approach**

*Materiality*

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the financial statements as a whole to be £35,000 (2021: £42,000), based on based on approximately 2% of the total assets.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. We determined performance materiality to be £24,700 (2021: £30,000).

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the board to report to it all identified errors in excess of £1,700 (2021: £2,000). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

*Overview of the scope of our audit*

The group is in the early stages of its development and is currently administered from one central operating location, which is the Group's registered office All audit work has been conducted remotely by the group audit team.

**INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF  
GRAND FORTUNE HIGH GRADE LIMITED  
(CONTINUED)**

*Key Audit Matters*

In addition to the matter described in the Conclusion related to going concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.

<b><i>Key audit matter</i></b>	<b><i>How our scope addressed the key audit matter</i></b>
<p><i>Disclosure of related party transactions</i> The business is managed by a small number of individuals in different locations increasing the risk that related party transactions are not identified and disclosed.</p>	<p>We reviewed transactions for evidence of potential undisclosed related party transactions and challenged management’s disclosure on related party transactions. Where necessary we took representations from management to confirm that transactions were not with related parties.</p>

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

**Other information**

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibilities of the directors for the financial statements**

As explained more fully in the directors’ responsibilities statement set out on page 6, 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
GRAND FORTUNE HIGH GRADE LIMITED  
(CONTINUED)**

In preparing the financial statements, the directors are responsible for assessing the Group'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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- As part of our audit planning process we assessed the different areas of the financial statements, including disclosures, for the risk of material misstatement. This included considering the risk of fraud where direct enquiries were made of management and those charged with governance concerning both whether they had any knowledge of actual or suspected fraud and their assessment of the susceptibility of fraud. We considered the risk was greater in areas that involve significant management estimate or judgement. Based on this assessment we designed audit procedures to focus on the key areas of estimate or judgement, including the carrying value of accruals.
- We have read board and committee minutes of meetings, as well as regulatory announcements, as part of our risk assessment process to identify events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As part of this process, we have considered whether remuneration incentive schemes or performance targets exist for the Directors.
- In addition to the risk of management override of controls, we have considered the fraud risk related to any unusual transactions or unexpected relationships, including assessing the risk of undisclosed related party transactions. Our procedures to address this risk included target testing a risk-based sample of journal transactions, both at the year end and throughout the year.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
GRAND FORTUNE HIGH GRADE LIMITED  
(CONTINUED)**

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](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 Group's members, as a body, in accordance with our agreed terms of engagement dated 16 June 2020. Our audit work has been undertaken so that we might state to the Group'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 Group and the Group's members as a body, for our audit work, for this report, or for the opinions we have formed.



Steve Gale  
Senior Statutory Auditor  
For and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor  
London

1 September 2022

**GRAND FORTUNE HIGH GRADE LIMITED**  
**FOR THE YEAR ENDED 30 APRIL 2022**  
**CONSOLIDATED FINANCIAL STATEMENTS**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	Year Ended 30 April 2022 £	Year Ended 30 April 2021 £
<b>Revenue</b>		-	-
Administrative expenses	4	<u>(281,960)</u>	<u>(339,405)</u>
<b>Operating Loss</b>		<b>(281,960)</b>	<b>(399,405)</b>
Finance income		<u>92</u>	<u>322</u>
<b>Loss before tax</b>		<b>(281,868)</b>	<b>(399,083)</b>
Taxation	5	<u>-</u>	<u>-</u>
Loss after tax and total comprehensive loss for the period attributable to the equity holders of the Group		<u><b>(281,868)</b></u>	<u><b>(399,083)</b></u>
<b>Loss per Ordinary Share:</b>			
Basic and diluted (pence)	6	(0.18)	(0.25)

The notes to the consolidated financial statements form an integral part of these consolidated financial statements.

**GRAND FORTUNE HIGH GRADE LIMITED**  
**FOR THE YEAR ENDED 30 APRIL 2022**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	As at 30 April 2022 £	As at 30 April 2021 £
<b>Assets</b>			
<i>Current assets</i>			
<i>Cash and cash equivalents</i>		<u>1,766,865</u>	<u>2,054,661</u>
<b>Total assets</b>		<b><u>1,766,865</u></b>	<b><u>2,054,661</u></b>
<b>Equity and liabilities</b>			
<i>Capital and reserves</i>			
Share Capital	10	4,311,700	4,311,700
Accumulated losses		<u>(2,572,407)</u>	<u>(2,290,539)</u>
<b>Total equity attributable to equity holders of the Group</b>		<b><u>1,739,293</u></b>	<b><u>2,021,161</u></b>
<i>Current liabilities</i>			
Amounts owing to Directors	12	7,532	18,500
Other payables	7	<u>20,040</u>	<u>15,000</u>
<b>Total liabilities</b>		<b><u>27,572</u></b>	<b><u>33,500</u></b>
<b>Total equity and liabilities</b>		<b><u>1,766,865</u></b>	<b><u>2,054,661</u></b>

The notes to the consolidated financial statements form an integral part of these consolidated financial statements.

This report was approved by the board and authorised for issue on 31 August 2022 and signed on its behalf by

  
“Wong Lee Chun”  
 CHIEF EXECUTIVE OFFICER

**GRAND FORTUNE HIGH GRADE LIMITED**  
**FOR THE YEAR ENDED 30 APRIL 2022**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Note	Share Capital £	Share Based Payment Reserve £	Accumulated Losses £	Total £
<b>Balance on 30 April 2020</b>		<b>4,311,700</b>	<b>646,637</b>	<b>(2,538,093)</b>	<b>2,420,244</b>
Loss for the year after taxation		-	-	(399,083)	(399,083)
Share Based Payments	11		(646,637)	646,637	-
<b>Balance as at 30 April 2021</b>		<b>4,311,700</b>	<b>-</b>	<b>(2,290,539)</b>	<b>2,021,161</b>
Loss for the year after taxation		-	-	(281,868)	(281,868)
<b>Balance as at 30 April 2022</b>		<b>4,311,700</b>	<b>-</b>	<b>(2,572,407)</b>	<b>1,739,293</b>

The share capital comprises the Ordinary Shares of Grand Fortune High Grade Limited.

Accumulated losses represent the aggregate retained loss of Grand Fortune High Grade Limited since incorporation.

The notes to the consolidated financial statements form an integral part of these consolidated financial statements.



**GRAND FORTUNE HIGH GRADE LIMITED**  
**FOR THE YEAR ENDED 30 APRIL 2022**

**CONSOLIDATED CASH FLOW STATEMENT**

	<b>Year Ended 30 April 2022</b>	<b>Year Ended 30 April 2021</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Loss for the period before taxation	(281,868)	(399,083)
<i>Adjustments:</i>		
Bank interest income	(92)	(322)
Foreign currency (gain)/loss	<u>(47,736)</u>	<u>43,772</u>
<b>Operating loss before working capital adjustments</b>	<b>(329,696)</b>	<b>(355,633)</b>
<i>Working capital adjustments:</i>		
Increase in other payables	5,040	2,000
(Decrease)/increase in Amounts due to Directors	<u>(10,968)</u>	<u>198</u>
<b>Net cash used in operating activities</b>	<b>(335,624)</b>	<b>(353,435)</b>
<b>Cash flows from investing activities</b>		
Interest received	<u>92</u>	<u>322</u>
<b>Net cash flow from investing activities</b>	<b>92</b>	<b>322</b>
<b>(Decrease) in cash</b>	<b><u>(335,532)</u></b>	<b><u>(353,113)</u></b>
Cash and cash equivalents, beginning of the period	2,054,661	2,451,546
Effects of currency translation on cash and cash equivalents	<u>47,736</u>	<u>(43,772)</u>
<b>Cash and cash equivalents, end of the period</b>	<b><u>1,766,865</u></b>	<b><u>2,054,661</u></b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. General Information

Grand Fortune High Grade Limited is incorporated under the laws of the Cayman Islands under the Companies Law. Grand Fortune High Grade Limited was incorporated on 10 November 2015 as an exempted company. Grand Fortune High Grade Limited's registered number is 305700 and its registered office is at Willow House, Cricket Square, PO Box 709, Grand Cayman KY1-1107, Cayman Islands. The principal place of business is Flat/Rm 1, 8/F, Metex House, No. 28 Fui Yiu Kok Street, Tsuen Wan, New Territories, Hong Kong.

The Group's objective is to take advantage of opportunities to establish a financial training business.

This financial information has been prepared in accordance with IFRS as adopted by the European Union ("EU"). The standards have been applied consistently during both years presented.

### 2. Accounting Policies

#### *Basis of preparation*

The principal accounting policies adopted by the Group in the preparation of the financial information are set out below.

The financial information has been presented in pound sterling, being the functional currency of the Grand Fortune High Grade Limited.

The financial statements are presented on a consolidated basis and include the accounts of Grand Fortune High Grade Limited, Grand Fortune High Grade (HK) Limited and Shen Zhen Shi Ji Fu Education Information Consulting Co. Ltd.

The financial information has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), including interpretations made by the International Financial Reporting Interpretations Committee (IFRIC) issued by the International Accounting Standards Board (IASB). The standards have been applied consistently.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 2. Accounting Policies (continued)

#### *Standards and interpretations issued but not yet applied*

A number of new standards and amendments to standards and interpretations have been issued but are not yet effective and, in some cases, have not yet been adopted by the European Union. The directors do not expect that the adoption of these standards will have a material impact on the consolidated financial statements of the Group in future periods.

#### *Going concern*

The Group is focused on the development of a financial training business in China, and apart from a small amount of interest receivable, it currently has no significant income stream. Until the training business has been adequately developed and is generating significant revenue, it is therefore dependent on its cash reserves to fund ongoing costs. At 30 April 2022, the Group's cash position was £1,766,865.

After reviewing the Group's budget for the period ending 31 October 2023 and its medium-term plans, the directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the directors have considered current and developing impact on the business as a result of the COVID-19 virus. Whilst this has had an immediate impact on the Group's operations and the Group's ability to offer financial training courses in person, the Group is developing an online training platform for its offered programs. The directors are aware that the implementation and success of the online training platform remains one of the biggest tests for the Group, in particular if the current situation with COVID-19 becomes prolonged and in person training is not possible or limited.

The financial information does not include any adjustments that would result if the Group were unable to continue as a going concern.

#### *Taxation*

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 2. Accounting Policies (continued)

#### *Financial instruments*

Financial assets and financial liabilities are recognised on the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

#### *Financial assets*

Under IFRS 9, financial assets are measured at amortised cost or fair value through other comprehensive income (“FVOCI”) depending on the business model and contractual cash flow characteristics. The classification depends on the basis on which assets are measured and if either criteria is not met, then the financial assets are held at fair value through profit or loss (“FVPL”).

The Group holds cash and cash equivalents at amortised cost.

As at the consolidated balance sheet date, the Group did not have any financial assets measured at FVPL or FVOCI.

#### *Financial liabilities and equity instruments*

##### *Classification as debt or equity*

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### *Equity instruments*

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

##### *Financial liabilities*

All financial liabilities are measured at amortised cost and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 2. Accounting Policies (continued)

#### *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

#### *Foreign currencies*

Profit and loss account transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

#### *Cash and cash equivalents*

The Group considers any cash on short-term deposits and other short-term investments to be cash equivalents.

#### *Leases/Rentals*

The only leases the Group has entered into are short term leases. As permitted by IFRS 16 the Group has taken advantage of the exemption not to apply the requirements of IFRS 16 to short term leases and is recognising the expense in profit and loss evenly over the lease contract. The total expense incurred on short term leases is disclosed as rental expenses in note 4 to these financial statements.

#### *Segment Information*

In the Directors' opinion, the Group has only one operating segment – the development and operation of financial training courses in China. The internal and external reporting is on a consolidated basis with transactions between Group companies eliminated on consolidation. Therefore, the financial information of the single segment is the same as set out in the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of financial position and cash flows.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 3. Critical accounting estimates and judgement

The preparation of the financial information in conformity with IFRS requires the Directors to make estimates and assumptions that affect the reported amounts of income, expenditure, assets, and liabilities. Estimates and judgements are continually evaluated, including expectations of future events to ensure these estimates remain reasonable.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. There were no critical estimates during the year ended 30 April 2022.

### 4. Administrative expenses

	Year Ended 30 April 2022	Year Ended 30 April 2021
	£	£
Directors' remuneration	103,886	138,198
Key Management personnel	6,615	6,834
Rental Expenses	2,406	3,803
Salaries/Wages	93,663	82,088
Office/General Expenses	3,599	23,712
Legal and professional fees	116,472	97,345
Bank charges	3,055	3,653
Foreign currency (gain) / loss	(47,736)	43,772
	<u><b>281,960</b></u>	<u><b>399,405</b></u>

The remuneration of the auditors for the audit of the financial statements was £17,500 (2021: £15,000).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 5. Taxation

Grand Fortune High Grade Limited is incorporated in the Cayman Islands. The operations of Grand Fortune High Grade Limited are, with the exception of regulatory filings, outside of the Cayman Islands. Accordingly, the costs and revenues of Grand Fortune High Grade Limited are subject to Cayman Islands taxation legislation where the prevailing taxation rate is 0%.

As GFHG HK is incorporated in Hong Kong it is subject to Hong Kong taxation legislation and as Ji Fu Education is incorporated in China it is subject to China taxation legislation. Any revenue earned by GFHG HK would be subject to Hong Kong taxation and any revenue earned by Ji Fu Education would be subject to China taxation. As the Group's expenses exceeded its revenue for the year ended 30 April 2022, it has not accrued any tax amount payable.

### 6. Loss per Ordinary Share

The calculation for earnings per Ordinary Share (basic and diluted) for the relevant year is based on the profit after income tax attributable to equity holder is as follows:

	<b>Year Ended 30 April 2022 £</b>	<b>Year Ended 30 April 2021 £</b>
Loss attributable to equity holders (£)	(281,868)	(399,083)
Weighted average number of Ordinary Shares	160,000,000	160,000,000
Earnings per share (pence)	<u>(0.18)</u>	<u>(0.25)</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 7. Other payables

	As at 30 April 2022 £	As at 30 April 2021 £
Accruals	<u>20,040</u>	<u>15,000</u>
	<u><b>20,040</b></u>	<u><b>15,000</b></u>

### 8. Key management personnel

Zhao Zhijun, the management director of GFHG HK, is considered a key management personnel and below is the remuneration that was accrued in the periods below.

	Year Ended 30 April 2022 £	Year Ended 30 April 2021 £
Zhao Zhijun	6,614	6,835

The Directors are also considered the key management personnel and the following directors' remuneration was accrued in the periods below.

	Year Ended 30 April 2022 £	Year Ended 30 April 2021 £
Wong Lee Chun	36,000	36,000
Angus Irvine	42,000	42,000
Ko Kwan	6,886	-
Kit Ling Law	1,500	18,000
Anthony Wonnacott	17,500	42,000
Directors Fee Adjustment	<u>-</u>	<u>198</u>
	<u><b>103,886</b></u>	<u><b>138,198</b></u>

All directors' remuneration was categorised as short-term employee benefits and no amounts in the categories of post-employment benefits, other long-term benefits, termination benefits or share-based payment benefits. Kit Ling Law resigned on 1 June 2021 and Anthony Wonnacott resigned on 1 October 2021.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 10. Share capital

	As at 30 April 2022 £	As at 30 April 2021 £
160,000,000 Ordinary Shares	<u>4,311,700</u>	<u>4,311,700</u>
	<b><u>4,311,700</u></b>	<b><u>4,311,700</u></b>

Grand Fortune High Grade Limited is authorized to issue up to 100,000,000,000 ordinary shares with a par value of £0.0001 per ordinary share.

### 11. Share based payments

The Group has recognised NIL in respect of share-based payment amounts in each of the years ended 30 April 2022 and 30 April 2021.

On 17 May 2017 Grand Fortune High Grade Limited entered into warrant agreements with each of Alice Lau, Vincent Poon, Wai Man Hui and Cornhill Capital Limited conferring the right to subscribe for 4,800,000 Ordinary Shares each (a total of 19,200,000 Ordinary Shares) as remuneration for assistance with the admission on the London Stock Exchange. Each Warrant Agreement is in an identical form and confers the right to subscribe for Ordinary Shares at £0.10. The Warrants were conditional on admission on the London Stock Exchange (which was completed on 22 May 2017) and can be exercised at any time until 22 May 2020.

The following table summarizes the Group's outstanding warrants:

	Year Ended 30 April 2022	Share Based Payment Charge £	Year Ended 30 April 2021	Share Based Payment Charge £
Opening Position	-	-	19,200,000	646,637
Granted	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	19,200,000	(646,637)
Closing Position	-	-	-	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 12. Amounts owing to Directors

	As at 30 April 2022 £	As at 30 April 2021 £
Directors Fees	7,532	18,500
	<u>7,532</u>	<u>18,500</u>

As of 30 April 2022, the only amounts owing to Directors are the amounts for fees accrued in April 2022 as all other outstanding amounts were paid during the year ended 30 April 2022.

### 13. Financial instruments

	As at 30 April 2022 £	As at 30 April 2021 £
<b>Financial assets at amortised cost</b>		
Other receivables	-	-
Cash and cash equivalents	<u>1,766,865</u>	<u>2,054,661</u>
<b>Total financial assets</b>	<u>1,766,865</u>	<u>2,054,661</u>
<b>Financial liabilities at amortised cost</b>		
Amounts owing to Directors	7,532	18,500
Other payables	<u>20,040</u>	<u>15,000</u>
<b>Total financial liabilities</b>	<u>27,572</u>	<u>33,500</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 14. Financial risk management

The Group uses a limited number of financial instruments, comprising cash and amounts owing to Directors, which arise directly from operations. The Group does not trade in financial instruments.

#### *General objectives, policies and processes*

The Directors have overall responsibility for the determination of the Group's risk management objectives and policies. Further details regarding these policies are set out below:

#### *Currency risk*

As the Group operates internationally, its exposure to foreign exchange risk relates to transactions and balances that are denominated in currencies other than £. The Directors manage the Group's exposure to currency risk by operating foreign currency bank accounts, being GBP, HKD, RMB and USD. It is the Directors' view that the size and complexity of the Group's trade does not warrant financial hedging arrangements currently, although this view will be regularly reviewed as the Group develops.

The table below illustrates the hypothetical sensitivity of the Group's consolidated statement of financial position to a 10% increase and decrease in the GBP/HKD, GBP/USD and GBP/RMB exchange rates at the year-end date. The sensitivity rate of 10% represents the directors' assessment of a reasonably possible change, based on historic volatility.

	<i>Year Ended</i> <i>30 April 2022</i>	<i>Year Ended</i> <i>30 April 2021</i>
	£	£
GBP Increases by 10%		
HKD portion of Cash and cash equivalents	(37,240)	(41,124)
USD portion of Cash and cash equivalents	(6,421)	(6,743)
RMB portion of Cash and cash equivalents	(35)	(2,660)
GBP Decreases by 10%		
HKD portion of Cash and cash equivalents	45,516	50,263
USD portion of Cash and cash equivalents	7,848	8,242
RMB portion of Cash and cash equivalents	43	3,251

Period end exchange rates applied in the above analysis are HKD 9.84311 (2021 – HKD 10.8283), USD 1.25411 (2021 - USD 1.39492) and RMB 8.28885 (2021 – 9.02504).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 14. Financial risk management (continued)

#### *Credit risk*

Credit risk is the risk that a counter party will not meet its obligations under a contract, leading to a financial loss. The Group had cash and cash equivalents of £1,766,865 as at 30 April 2022. The credit risk from its liquid funds is limited as the counter parties are banks with high credit ratings.

#### *Liquidity risk*

Liquidity risk arises from the Directors' management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Directors' policy is to ensure that the Group will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, the Directors seek to maintain a cash balance sufficient to meet expected requirements (all amounts due within 30 days).

The Directors have prepared cash flow projections on a monthly basis through to 31 October 2023. At the end of the year under review, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

### 15. Capital risk management

The Directors' objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for Shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. During the year, the Group had been financed by equity. In the future, it is expected that the capital structure of the Group will continue to be financed in this manner with equity attributable to equity holders of the Group, comprising issued share capital and reserves.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 16. Related party transactions

During the year ended 30 April 2020, Grand Fortune High Grade Limited entered into an employment agreement with Derek Law. Derek Law is a related party by virtue of being the brother of Kit Ling Law (a significant shareholder and former member of the Board of Directors of Grand Fortune High Grade Limited). Under the terms of the employment agreement, Derek Law was employed on a continuous basis as an Executive Deputy Director of Grand Fortune High Grade Limited effective 1 December 2019 and entitled to a monthly salary of HKD 20,000 and a monthly housing allowance of HKD 5,000.

Additionally, at the same time as the resignation of Anthony Wonnacott (1 October 2021) from the board of directors of the Company, Grand Fortune High Grade Limited entered into a consulting agreement with Wonnacott Consulting Professional Corporation (an entity controlled by Anthony Wonnacott) pursuant to which Mr. Wonnacott was engaged as a corporate advisor to the Company with remuneration of £2,500 per month (total charged by Mr. Wonnacott of £17,500 during the year ended 30 April 2022). Mr. Wonnacott is a related party by virtue of being a former director of the Company.

All other amounts owing to directors relate to directors' remuneration accrued as at the year ended 30 April 2022, see note 8 and 12 for a summary.

### 17. Ultimate controlling party

As at 30 April 2022, Grand Fortune High Grade Limited has no controlling party.