

SUNBORN GIBRALTAR



QUARTERLY FINANCIAL REPORT
1 January 2022 – 31 March 2022
SUNBORN (GIBRALTAR) LIMITED

sunborn

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PERIOD ENDED 31 MARCH 2022 REPORT

Key Figures Issuer Sunborn (Gibraltar) Limited

GBP thousand	1 Jan-31 Mar 2022	1 Jan-31 Mar 2021	1 Jan- 31 Dec 2021
Rental income	795	795	3,180
EBITDA	750	749	2,929
Investment property (yacht hotel)	79,519	82,000	80,142
Total Equity	5,220	7,804	6,255
Bond	49,135	49,103	48,694

Key Figures Operator Sunborn (Gibraltar) Resort Limited

GBP thousand	1 Jan-31 Mar 2022	1 Jan-31 Mar 2021	1 Jan- 31 Dec 2021
Turnover	1,553	335	8,438
EBITDAR	150	(20)	3,104

Chief Executive Director, Hans Niemi

“The Issuer Sunborn Gibraltar Ltd lease income in Q1 2022 from the Operator was as per budget £795 K (£795K in Q1 2021) and costs were also in line with expectations.

Total Operator revenue for the Quarter ended with £M 1,553 (£M 0,335 YoY 2021, +365%) and EBITDA at £M 0,150 (£M-0,02, +869%). January and February were impacted by pandemic quarantine rules implemented in the UK, however overall performance for Q1 was boosted by strong March revenue and EBITDA as the restrictions had been lifted. While Q1 last year was practically closed due to heavy covid restrictions, YoY comparable number are therefore extraordinarily high. Business levels in Q2 are at good levels and forward-looking reservations provide robust positive outlook for the remainder of the year. Management is forecasting record summer period and autumn with FY 2022 forecast in line with H2 performance witnessed last year and above pre-covid performance in 2019.

General

Sunborn (Gibraltar) Limited owns a luxury yacht hotel “Sunborn Gibraltar” docked at Ocean Village in Gibraltar, which it has leased to its sister company Sunborn (Gibraltar) Resort Ltd. The hotel operations of the yacht hotel Sunborn Gibraltar are run by management company Sunborn (Gibraltar) Resort Ltd in accordance with the lease contract. The yacht hotel is equipped with 189 cabins, including 22 suites, conference, and ball room facilities for up to 400 delegates, two restaurants, three bars, entertainment and lounges inside the yacht hotel. Sunborn Gibraltar Ltd’s sole operation consists of acting as a lessor of the yacht hotel.

Issuer Sunborn Gibraltar Ltd Financial summary 1 January – 31 March

The Issuer Sunborn Gibraltar Ltd lease income in Q1 2022 from the Operator was as per budget £795 K (£795K in Q1 2021) and costs were also in line with expectations.

The fair value of the Yacht hotel is at €107.6 Million based on the latest valuation report dated June 2021.

Operator Financial summary 1 January – 31 March

Total Revenue for the Quarter ended with £M 1,553 (£M 0,335) and EBITDA at £M 0,150 (£M -0,02). March was a very successful month following January and part of February impacted by the pandemic quarantine rules in place in the UK until Feb 11th 2022. Overall performance in Q1 and KPI's vs 2021 is extraordinarily high as the comparable period Q1-21 was in the middle of severe pandemic restrictions at low occupancy volumes. Management is expecting performance in summer to be similar to record breaking 2021 and overall FY is expected to reach pre-covid levels in both revenue and profitability. The war in Ukraine has impacted prices of various items, particularly in food and beverage such as grain related items as well as various supplies which are reliant upon fuel prices that have increased. Management is adapting to the price increases and continues cost control procedures.

KPI's for Q1 2022 vs. Q1 2021

	Overall Q1 22	January	February	March
Total Revenue M£	£1.55	£0.25	£0.47	£0.82
+/- YoY %	365%	+550%	+448%	+294%
EBITDAR M£	£0.15	-£0.15	£0.01	£0.29
+/- YoY %	869%	-107%	+156%	+292%
<i>Revenue split</i>				
Rooms Revenue	69%	68%	69%	71%
Food and Beverage	22%	20%	23%	22%
Other	8%	12%	8%	7%
YoY change %	Overall Q1 22	January	February	March
ADR	+32%	+33%	+75%	+16%
Occupancy %	+423%	+764%	+422%	+366%
RevPar	+1671%	+6894%	+2232%	+813%

Commentary:

Q1 bookings and particularly corporate bookings were impacted in Jan and Feb due to Omicron related cancellations. The market disruption dissipated in mid February. March was an outstanding month and in line with expectations.

Revenue split of F&B and other sources are higher than normal, impacted by the still below average occupancy in January and February.

KPI's change YoY for ADR, Occupancy and RevPar are extraordinarily high due to comparison to 2021 Q1, which was a period practically closed for business due to COVID.

Business environment

The Omicron variant related UK travel restrictions announced end of November continued until February 11th this period, negatively impacting Q1 revenue. However, the month of March business rose rapidly and carried the period to a positive result in EBITDA. Management is confident its performance will exceed expectations for Q2 and forecasted overall year revenue and performance.

Corporate business travel is returning to "normal" levels (comparing to 2019 at merely -8% YoY Q1) with companies booking for the summer and autumn months with medium to large scale events including rooms. Small to midsize wedding bookings continue the trend, as many postponed weddings are now taking place. Overall, advance bookings for 2022 continue pace and each month from April onward exceeds those of 2019.

The war in Ukraine has impacted prices of various items, particularly in food and beverage such as grain related items as well as various supplies which are reliant upon fuel prices that have increased. Management is adapting to the price increases and continues cost control procedures.

The weekly flights into Gibraltar remains at approximately 18 per week through the winter months as scheduled. The summer schedule for 2022 is in effect and the airlines have indicated they will resume the same level as 2021 (approximately 42 flights per week).

During the period, the hotel continued to maintain high levels of Guest satisfaction ratings reflected by Trip Advisor rating of #3, Booking.com rating of 9.4/10, Hotels.com rating of 9.2/10, Expedia.com 4.6/5 during the period. In May 2022, the hotel was inspected and received the AA rating of Five Star for the hotel and 2 Rosettes for the main restaurant.

Notable events during and after the end of the reporting period and estimate future development

Omicron variant caused travel restrictions and impacted business levels in January and February 2022. Management is confident the business is well placed to continue operations normally as is the case currently. The outlook for the remainder of the year is positive and management is prepared for another record setting summer period shaping up to be as good or better than 2019 pre pandemic performance.

The Gibraltar Health Authority has successfully vaccinated nearly 100 % of its citizens and cross border workers or has allotments for inoculations.

New EU-UK-Gibraltar treaty deadline has been extended and resolution is expected during the summer 2022.

Short-term risks and uncertainties

Sunborn Gibraltar's financial risks related to business are market risk (including interest rate risk), credit risk, liquidity risk, refinancing risk and business interruption due to incidents relating to environmental and or public health risks. Floating interest rate risk has not been hedged.

The war in Ukraine will most likely not affect tourism – except for Russian and Asian tourists – but it will certainly affect energy expenditure, purchases and other costs. Prolonged crisis in Ukraine can further impact the Company's business through the impact on the operator. Prolonged crisis could also in the long term impact the fair value of the yacht hotel the Company holds as investment property.

The Company is exposed to foreign currency risk through rental receivables and future cash flows arising from the lease contract of the Yacht hotel that is denominated in GBP. The management of the company closely monitors the development of the GBP/EUR exchange rate and aims to protect the Company against unfavourable developments at the group level.

High volatility in pound sterling versus euro is expected to continue with a risk of a further depreciation of the pound that could in the short to intermediate term impact negatively on operational costs and profitability.

Financial risk management carried out by the management of the Company aims to protect the Company against unfavourable developments in the financial markets and ensure the performance. The management review financial risks on regular basis to manage financial risk position and decide on necessary actions.

The Company's bond is maturing for repayment on 5th September 2022. Management views the current high yield market conditions to be less favourable due to the higher industry risk and ongoing pandemic risk but financing to be available subject to terms and conditions.

Risks related to the border and land access to Gibraltar from Spain if the EU-UK-Gibraltar treaty is not ratified. A border disruption or temporary closure could impact pricing and availability of goods and services from Spain and ease of accessing Gibraltar for our clients and staff.

STATEMENT OF COMPREHENSIVE INCOME

GBP thousand	Note	1 Jan 31 Mar 2022	1 Jan-31 Mar 2021	Audited 1 Jan- 31 Dec 2021
Rental income from group companies	3	795	795	3,180
Depreciation	4	(623)	(623)	(2,490)
Other operating expenses		(45)	(46)	(251)
Operating profit/(loss)		126	126	439
Conversion to Capital reserve of intercompany loan		-		-
Foreign exchange (loss)/gain		(345)	2,718	3,400
Finance cost - amortisation of borrowing cost		(93)	(95)	(436)
Finance cost - group borrowings		(97)	(97)	(390)
Finance costs - other borrowings		(625)	(629)	(2,539)
Finance costs, net		(1,161)	1,897	35
Profit/(loss) before taxes		(1,035)	2,023	474
Income tax expense		-	-	-
Profit/(loss) for the period		(1,035)	2,023	474
Total comprehensive income/(loss) for the period		(1,035)	2,023	474

STATEMENT OF FINANCIAL POSITION

GBP thousand	Note	Unaudited 31 March 2022	Unaudited 31 March 2021	Audited 31 December 2021
ASSETS				
Non-current assets				
Investment property	4	79,519	82,000	80,142
Property, plant and equipment		1	-	1
Total non-current assets		79,520	82,000	80,143
Current assets				
Receivables from group companies	7	2,221	2,609	1,805
Other receivables		386	419	266
Cash and cash equivalents		780	12	1,098
Total current assets		3,387	3,040	3,168
Total assets		82,907	85,039	83,310
EQUITY				
Capital and reserves attributable to the Company's equity holders				
Share capital	5	3	3	3
Share premium	5	15,604	15,604	15,604
Capital reserves		15,000	15,000	15,000
Retained result		(25,387)	(22,803)	(24,352)
Total equity		5,220	7,804	6,255
LIABILITIES				
Non-current liabilities				
Payables to group companies	7	25,997	25,997	25,997
Borrowings	6	0	49,103	0
Total non-current liabilities		25,997	75,100	25,997
Current liabilities				
Borrowings	6	49,135	0	48,694
Payables to group companies	7	2,046	1,653	2,024
Other payables		509	482	340
Total current liabilities		51,690	2,135	51,058
Total liabilities		77,687	77,236	77,055
Total equity and liabilities		82,907	85,039	83,310

STATEMENT OF CHANGES IN EQUITY

GBP thousand	Share capital	Share premium	Capital reserve	Retained earnings	Total equity
Equity at 1 Jan 2021	3	15,604	15,000	(24,826)	5,781
Result for the period	-	-	-	2,023	2,023
Equity at 31 March 2021	3	15,604	15,000	(22,803)	7,804
Result for the period				(1,549)	(1,549)
Equity at 31 Dec 2021	3	15,604	15,000	(24,352)	6,255
Equity at 1 Jan 2022	3	15,604	15,000	(24,352)	6,255
Result for the period	-	-	-	(1,035)	(1,035)
Equity at 31 March 2022	3	15,604	15,000	(25,387)	5,220

STATEMENT OF CASH FLOWS

GBP thousand	1 Jan - 31 Mar 2022	1 Jan - 31 Mar 2021	Audited 1 Jan - 31 Dec 2021
Operating activities			
Operating profit/ (loss)	126	126	439
Adjustment for:			
Depreciation	623	623	2,490
Change in working capital:			
Change in receivables from group companies	(416)	(461)	343
Change in other receivables	(120)	(97)	56
Change in payables to group companies	(75)	86	164
Change in other payables	169	72	(70)
Net cash flows from /(used in) operations before interest payments	307	349	3,422
Interest paid	(625)	(629)	(2,539)
Net cash flows from /(used in) operations	(318)	(280)	883
Cash used in investing activities			
Additions in investment property	-	-	(9)
Net cash flows used in investing activities	-	0	(9)
Cash flows from financing activities			
Repayment of borrowings from Group company	-	-	-
Transaction costs paid	-	-	(68)
Net cash flows from financing activities	-	-	(68)
Net increase / (decrease)in cash and cash equivalents	(318)	(280)	806
Cash and cash equivalents at 1 January	1,098	292	292
Cash and cash equivalents at 31 March/ 31 Dec	780	12	1,098

NOTES TO THE FINANCIAL STATEMENTS**1. General information**

Sunborn Gibraltar Limited (the 'Company') is a private company limited by shares incorporated and registered in Gibraltar. The registered address of Sunborn Gibraltar Limited is 57/63 Line Wall Road, Gibraltar, and its business address: 35 Ocean Village Promenade, Gibraltar, GX111AA. Sunborn Gibraltar Limited owns a luxury yacht hotel docked at Ocean Village in Gibraltar, which it has leased to its sister company Sunborn (Gibraltar) Resort Limited, who runs the operations in accordance with a lease contract. The Yacht hotel is equipped with 189 cabins, including 22 suites. There are also conference facilities for up to 400 delegates, restaurants, bars fitness centre, spa and lounges inside the Yacht hotel. The Company had no employees during 2022 or during 2021. The Company is wholly owned by Sunborn Gibraltar Holdings Limited, and its ultimate parent is Sunborn Oy, a company registered in Finland and owned by the Niemi family who are also based in Finland. Sunborn Oy focuses on the development of luxury spa and yacht hotels, restaurants, and other high-quality property, and has more than 50 years of experience in the hospitality sector.

2. Summary of significant accounting policies**Basis of preparation**

This condensed interim financial report for three months ended 31 March 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34 interim Financial Reporting, as adopted by the European Union.

The condensed interim year financial report does not include all the information and notes that are presented in the annual financial statements and should be read in conjunction with the audited financial statements for year ended 31 December 2021.

The accounting policies and measurement principles remain unchanged in comparison with as has been presented in Note 2 in the Annual Report 2021.

The financial statements are presented in thousands of sterling pounds unless otherwise stated. All figures presented have been rounded and consequently the sum of individual figures may deviate from the presented sum figure.

Going concern*Covid-19*

Since March 2020, the spread of the Covid-19 has led to unprecedented and gradually worsening business situation in the hospitality sector all over the world including Gibraltar. Covid-19 impacts Sunborn Gibraltar's operations through the operator's ability to business operations in a restricted and unpredictable business environment and pay the agreed lease payments. Operator Sunborn Gibraltar Resort is the sole lessee and the main source of the Company's cash inflows.

Despite of the Covid-19 situation the management is confident the property is well placed to continue operations regardless of the changes in the operating environment. During these difficult times, the Operator has succeeded

in managing variable costs and continues to meet its commitments under the Bareboat Charter agreement and Sunborn Gibraltar to pay the interest and other payments related to bond.

Net losses

The Company has incurred net losses consisting mainly of depreciation and unrealized foreign exchange rate differences arising from the borrowings. The Company's sole purpose is to own the vessel "Sunborn Gibraltar Yacht" and lease the vessel out to Sunborn Gibraltar Resort Limited through an internal bareboat agreement. The Company has primarily relied upon financing raised through the borrowings from the group companies and bonds from external parties as well as from shares issued to the parent company Sunborn (Gibraltar) Holdings Limited. In April 2016, Sunborn International Oy transferred the company's borrowing amounting to £15.6M to Sunborn (Gibraltar) Holdings Limited and thereafter was converted to company's equity to provide additional capital. The borrowings were converted to Sterling Pounds to avoid unrealised losses. Further conversions have been carried out in September 2018 (£10M) and in December 2020 (£5M) converting debt liabilities to Sunborn International Oy into company's equity.

The financial information in these financial statements has been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. Moreover, the company's ultimate parent has confirmed its willingness to provide financial support to allow the company to operate and meet its liabilities as and when required.

3. Rental income from related parties

Rental income comprises income generated from lease of its vessel to its sister company Sunborn Gibraltar Resort Limited. The lease term is 10 years with fixed monthly lease from 1 June 2017 and in force until terminated by the company subject to three months' prior notice.

4. Investment property

	<u>Vessel</u> <u>incl improvements</u>	<u>Furniture</u> <u>& Fittings</u>	<u>Total</u>
GBP thousand			
Cost			
At 31 Dec 2020	101,993	487	102,480
Additions	-	9	9
At 31 December 2021	101,993	496	102,489
Additions	-	-	-
At 31 Mar 2022	101,993	496	102,489
Depreciation			
At 31 December 2020	19,425	432	19,857
Charge for the period	2,462	28	2,490
At 31 December 2021	21,887	460	22,347
Additions	616	7	623
At 31 Mar 2022	22,503	467	22,970
Net book value			
At 31 March 2022	79,490	29	79,519
At 31 December 2021	80,106	36	80,142
At 31 December 2020	82,568	55	82,623

The vessel is registered in Finland but located in Gibraltar, where it is leased under a lease agreement to Sunborn Gibraltar Resort Limited, which runs the hotel operations of the Yacht hotel. Sunborn Gibraltar is responsible for the maintenance, the mooring fee, certain insurances, marketing of the vessel and any other such operational costs for operating the Yacht hotel. The Company has thus no risk on operating the Yacht hotel, being only responsible for certain insurances and maintaining the hull.

The investment property is carried at deemed cost as at 1 January 2016, which was its fair value, less any accumulated depreciation and any accumulated impairment losses.

The fair value of the Yacht hotel is at 107.6 M€ according to the latest valuation report June 2021.

Depreciation is calculated using the straight-line method to allocate the cost to the residual value over their estimated useful lives. The estimated useful life of the vessel divided to its significant components is presented in the table below:

Vessel:	40 years
Vessel improvements:	Shorter of remaining vessel life or useful life of improvements (3 to 25 years)
Furniture and fittings:	10 years

All repairs and maintenance costs are charged to the statement of the comprehensive income during the financial year in which they are incurred.

5. Equity & Capital Reserve

	As at 31 Mar 2022 and 31 Dec 2021	
	No.	£
Share Capital		
Authorised, allotted, called up and fully paid shares of £1 each	3,000	3,000

The number of ordinary shares outstanding since the company's inception was 2000 shares. In 2016, borrowings from the group company were converted into equity thereby increasing the authorized ordinary share capital by 1,000 at a premium of £15,604 per share resulting to a share premium of £15,604,000.

The Company has not distributed any dividend and the bond agreement set some restrictions for distribution of dividend.

6. Borrowings non-current liabilities

Borrowings are analysed as follows:

GBP thousand	31-Mar 2022	31-Mar 2021	31-Dec 2021
Wholly repayable within one year	49,135	49,103	48,694
Details of loans wholly repayable within five years are as follows:			
Senior secured bond SE0010296632 due 5/9/22	49,325	49,662	48,980
Less: transaction costs	(190)	(559)	(286)
	49,135	49,103	48,694

On 31/8/2017, the company issued a Senior Secured Bonds with nominal value of EUR 58 million repayable in 2022. The contractual interest is 5 % plus Euribor and the effective interest is 5.83 %. The proceeds of the bonds were used to pay the secured loans with the financing company.

As a result Amended and Restated Terms and Conditions related to Covid-19 impacts, amendment fee of 50 bp resulted in a modification loss in interest expenses for year 2020. The amount of borrowings was adjusted accordingly. The management estimated that the fair value of the borrowings approximates the carrying amounts of the bonds.

The bond terms include an asset cover ratio covenant, which requires the Company to maintain the asset cover ratio of minimum 140.0 %. The covenant is calculated based on the market value of the Yacht Hotel calculated by approved valuator appointed by the Company and approved by the bond trustee, divided by financial indebtedness of the Company.

The bond terms also include a cash requirement covenant, which requires the Company to maintain the cash minimum of upcoming 3 months interest payment. The bond terms include an interest cover ratio covenant, which requires the Company to generate EBITDA minimum of 1.1 times the interest. Covenants are tested on a quarterly basis.

Borrowings non-current liabilities – continued

Collaterals and guarantee given

The bonds are secured by a 1st lien mortgage in the vessel and the cash held at bank. The bonds are also secured by a floating charge agreement over the assets, rights, intellectual property, and revenues including relevant insurances. The bank accounts have been pledged to secure the bond repayment; however, they can be used by the Company in the ordinary course of business.

Moreover, Sunborn International Oy has pledged its shares in the Company and Sunborn Gibraltar Holdings Limited and Sunborn Gibraltar Resort Limited to secure the repayment of the bonds.

As a result of Amended and Restated Terms and Conditions related to Covid-19 impacts Sunborn International Holding Oy has entered into an Additional Guarantee Agreement, as principal obligor, guarantee to the Agent and Bondholders the punctual performance of Sunborn Gibraltar Limited obligations under the Bond's Finance Documents.

7. Related parties

The Company's related parties are its ultimate parent company Sunborn Oy, other Sunborn Group entities, the board of directors and key management of the Company and the Board of Directors and management of the parent company, together with their close family members, and companies controlled by these individuals.

The following table summarises the Company's transactions and outstanding balances with related parties during or at the end of the years presented:

GBP thousand	1 Jan– 31 Mar 2022	1 Jan– 31 Mar 2021	1 Jan-31 Dec 2021
Sunborn (Gibraltar) Resort rent	795	795	3,180
Sunborn International Oy interest	(97)	(97)	(390)

GBP thousand	31-Mar-22		31-Dec-21	
	Receivables	Liabilities	Receivables	Liabilities
Sunborn (Gibraltar) Resort	2,218	86	1,794	86
Sunborn (Gibraltar) Holdings	3	-	3	
Sunborn International Oy	-	27,859		27,779
Sunborn International Holding Oy	-	95		153
Sunborn Int. UK		3		3
Total	2,221	28,043	1,797	28,021

8. Events after the balance sheet date

The war in Ukraine will most likely not affect tourism – except for Russian and Asian tourists – but it will certainly affect energy expenditure, purchases and other costs.

Appendix 1

Sunborn (Gibraltar) Resort Limited

Unaudited Income Statement

GBP thousand

	Unaudited 3 months ended 31 Mar 22	Unaudited 3 months ended 31 Mar 21	Audited 12months ended 31 Dec 21
REVENUE	1,553	335	8,438
Cost of sales			
Food	63	22	348
Beverage	31	8	194
Agent commission	27	8	313
Other	20	5	81
	142	44	936
GROSS PROFIT	1,411	291	7,502
Administrative and other expenses	(1,262)	(311)	(4,403)
EBITDAR	150	(20)	3,104
Rent cost due to related entity	(795)	(795)	(3,180)
Depreciation	(32)	(48)	(190)
Interest expense	(19)	(9)	(72)
Result before tax	(696)	(872)	(338)
Taxation	-	-	-
Result for the year	(696)	(872)	(338)

Unaudited Balance Sheet

GBP thousand

	Unaudited 31 Mar 22 £	Unaudited 31 Mar 21 £	Audited 31 Dec 21
Fixed assets	<u>271</u>	<u>134</u>	<u>275</u>
Tangible fixed assets			
Current Assets			
Inventories	98	99	102
Trade and other receivables	1,537	976	1,298
Cash at bank	<u>30</u>	<u>261</u>	<u>93</u>
	1,665	1,336	1,492
Current Liabilities			
Trade and other payables	2,224	4,532	2,609
Permitted loan facility	1,500	0	1,500
Finance lease obligation	<u>0</u>	<u>12</u>	<u>0</u>
	3,724	4,544	4,109
Current Assets less Current Liabilities	(2,058)	(3,208)	(2,617)
Non-current liabilities			
Finance lease obligation	-	8	0
Other payables	2,957	0	1,707
Permitted loan facility	<u>0</u>	<u>1,500</u>	<u>0</u>
Total Assets less Liabilities	<u>(4,745)</u>	<u>(4,583)</u>	<u>(4,049)</u>
Capital and Reserves			
Called up share capital	2	2	2
Profit & loss account	<u>(4,747)</u>	<u>(4,585)</u>	<u>(4,051)</u>
	<u>(4,745)</u>	<u>(4,583)</u>	<u>(4,049)</u>

Unaudited Statement of Cash Flows

GBP thousand

	Unaudited 3 months ended 31-Mar-22 £	Unaudited 31 Mar 21 £	Audited 31 Dec 21 £
Reconciliation of operating loss to net cash flows from operating activities			
Operating profit	(696)	(872)	(338)
Finance lease interest	(19)	12	72
Operating profit	<u>(715)</u>	<u>(860)</u>	<u>(266)</u>
Depreciation	4	48	190
Movement in inventories	4	(1)	(2)
Movement in debtors	(239)	(10)	(332)
Movement in creditors	883	367	74
Net cash flows from operating activities	<u>(63)</u>	<u>(456)</u>	<u>(336)</u>
Cash flow from investing activities			
Purchase of tangible fixed assets	-	-	(283)
Cash flow from financing			
Other borrowings	-	400	400
Repayment of obligations under finance leas	-	(7)	(13)
Taxation	-	-	-
Increase in cash	<u>(63)</u>	<u>(63)</u>	<u>(231)</u>
Reconciliation of net cash flows to movement in net funds			
Cash at bank at 31 March/31 Dec	30	261	93
Cash at bank at 1 January	93	324	324
Increase in cash in year	<u>(63)</u>	<u>(63)</u>	<u>(231)</u>