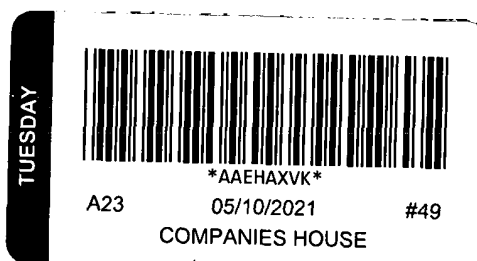


RIGHT OF REPLY PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019



RIGHT OF REPLY PLC

COMPANY INFORMATION

Directors	Nilesh Kumar Jagatia Thomas Eliot Brooks (resigned 1 July 2021) David Enrico Tizzoni Alfredo Villa Arnold Claudio Ardia (resigned 28 August 2019) Amit Pau (resigned 28 August 2019)
Company secretary	Nilesh Kumar Jagatia
Registered number	10239054
Registered office	Suite 2A1, Northside House Mount Pleasant Cockfosters Barnet EN4 9EB
Independent auditors	Ashings Limited Chartered Accountants & Statutory Auditors Northside House Mount Pleasant Cockfosters Herts. EN4 9EB

RIGHT OF REPLY PLC

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RIGHT OF REPLY PLC

STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2019

Introduction

The director presents the strategic reports of the company for the period ended 31 December 2019.

The aim of the Strategic Report is to provide shareholders with the ability to assess how the company has performed. To assist shareholders with this assessment, the Strategic Report sets out the structure and objective of the Company, its investment policies and risk management, investment restrictions and guidelines, performance, total return, revenue and dividends, key performance indicators, share capital, the Company's environmental, social and ethical policy, principal and emerging risks and the company seeks to manage those risks and finally its long-term viability.

Business review

The purpose of the company is to provide a cost-effective investment vehicle for investors who seek capital growth from a portfolio, taking account of wider issues including environmental, social and governance considerations. To achieve this, Board of Directors is responsible for employing and overseeing an investment management company that has appropriate investment expertise, resources, and controls in place to meet the Company's investment objective.

Principal risks and uncertainties

The performance of the Company is dependent on the performance of its investment in Bss one, Fool Srl etc. The business is also subject to number of risks and the Company has procedures and systems to manage these. Aside from the current pandemic, the key business risks affecting the Company are considered to relate to competition from the other companies, significant data loss, regulatory changes, fluctuations in the UK and global economy and any action which may be taken by governments in our major investment markets.

Financial key performance indicators

The board uses number of financial KPIs to monitor and assess the performance of the company.

The key performance indicators (KPIs) for the Company are:

Turnover – 0%(2018 - 0%)

Net funds – decrease/increase of (83.08)% (2018 - 61576.266%)

RIGHT OF REPLY PLC

STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2019

Financial risk management

The Company's operations expose it to a variety of financial risks, including the effects of changes in currency exchange rates, credit exposure, and changes in prices, liquidity and interest rates.

Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub- committee of the Board. The policies set by the Board of directors are implemented by the Group's finance department.

The main risks arising from the Company's financial management can be analysed as follows:

Currency risk

The Company is exposed in its trading operations to the risk of fluctuations in currency exchange rates. Where appropriate, forward contracts and swaps are used to hedge its exposure.

Credit risk

The Company's principal financial assets are investments, bank balances and trade debtors which the Company's maximum exposure to credit risk in relation to financial assets. This risk is managed through internal monitoring processes and credit insurance.

Price risk

The Company is exposed to price risk on its operation and such exposure is monitored closely and reported on regularly. In the majority of cases, dual supply arrangements are in place.

Liquidity risk

The Company has positive cash balances with various banks and appropriate overdraft facilities in place where considered necessary. As a direct response to the uncertainty created by Covid 19, the Board continues to actively review decisions requiring significant cash outlay as a means of maintaining its cash balance.

Interest rate risk

The Company has limited exposure to interest rate as it has no external borrowing. There is an exposure to the impact of longer-term rate movements in the loans, bonds etc.

Section 172 of the companies Act 2006

The directors of the Company must act in accordance with a set of personal duties. These duties are detailed in S172 of the UK companies Act 2006 summarised as follows:

- the likely consequences of any decision in the long run.
- the interest of the company's employees.
- the need to foster the company's business relationships with suppliers, customers, and others.
- the impact of the company's operations on the community and the environment.
- the desirability of the company maintaining a reputation for the high standard of business conduct and
- the need to act fairly as between members for the company.

As a business we provide several business services to our clients. We ensure our staff are professionally trained and operate in a compliant way throughout the business. Our staff are at the heart of what we do, and we make sure our staffs are able to grow and be supported and their performance monitored and developed nurturing talent where this identified. We are a business looking to grow across all aspects of our operations and do this by attracting new clients to use our services and develop our investment portfolio in a sustainable way. Finally, the board is committed to engaging with our shareholders and it is important to us that our shareholders understand our strategy and objectives. To this aim, we will issue regular updates and an interim financial summary each year.

RIGHT OF REPLY PLC

**STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2019**

This report was approved by the board on 29 September 2021 and signed on its behalf.



Alfredo Villa
Signed on 02/10/21 @ 10:00

Alfredo Villa
Director

RIGHT OF REPLY PLC

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2019

The directors present their report and the financial statements for the period ended 31 December 2019.

Directors' responsibilities statement

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

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

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Results and dividends

The loss for the period, after taxation, amounted to \$2,276,049 (2018 - loss \$351,290).

The directors are satisfied with the results of the business.

Directors

The directors who served during the period were:

Nilesh Kumar Jagatia
Thomas Eliot Brooks (resigned 1 July 2021)
David Enrico Tizzoni
Alfredo Villa
Arnold Claudio Ardia (resigned 28 August 2019)
Amit Pau (resigned 28 August 2019)

RIGHT OF REPLY PLC

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2019

Going concern

The Company incurred losses of \$2,276,049 (2018: \$351,290) during the year. The losses were in line with the Company's prediction. At the balance sheet date, the Company had net current liabilities of \$886,790 (2018: net current assets of \$464,151).

The financial statements have been prepared on a going concern basis. The directors have reviewed the Company's going concern position by taking into account its current business activities, budgeted performance and the factors likely to affect its future development.

The Company's forecast and projections show that it should be able to operate within the level of its current arrangements and level of financing. On this basis, the directors have reasonable expectation that the Company has adequate resources to continue in operational existence in the near future, being at least 12 months from the date of the approval of these financial statements.

COVID-19 Effect

The COVID-19 Outbreak developed rapidly in 2020, with significant number of infections. At this stage, the impact on our business and results is limited. We will continue to follow the various policies and advice and in parallel will do out utmost with the support of ultimate and parent undertaking to continue our operations in the best way.

Matters covered in the strategic report

As permitted by S414C (11) of the companies Act 2016, the directors have elected to disclose information required to be in the directors' reports by Schedule 7 of the " Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008", in the strategic report.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, Ashings Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 29 September 2021 and signed on its behalf.



Alfredo Villa
Signed on 02/10/21 @ 10:00

Alfredo Villa
Director

RIGHT OF REPLY PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIGHT OF REPLY PLC

Opinion

We have audited the financial statements of Right of Reply PLC (the 'Company') for the period ended 31 December 2019, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its loss for the period 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 2.3 in the financial statements, which indicates that the company incurred losses of \$2,276,049 during the period ended 31 December 2019. As stated in note 2.3, these events or conditions, along with the other matters as set forth in note 2.3, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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 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.

RIGHT OF REPLY PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIGHT OF REPLY PLC (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial period 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

RIGHT OF REPLY PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RIGHT OF REPLY PLC (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.



Darryl Ashing
Countersigned on 04/10/21 @ 09:39

Darryl Ashing FCA (Senior Statutory Auditor)

for and on behalf of

Ashings Limited

Chartered Accountants
Statutory Auditors

Northside House
Mount Pleasant
Cockfosters
Herts.
EN4 9EB

29 September 2021

RIGHT OF REPLY PLC

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2019

	Note	2019 \$	2018 \$
Administrative expenses		(2,273,562)	(344,731)
Other operating income		44,814	-
Operating loss	5	(2,228,748)	(344,731)
Interest receivable and similar income		115	-
Interest payable and similar expenses		(47,416)	(6,559)
Loss before tax		(2,276,049)	(351,290)
Loss for the financial period		(2,276,049)	(351,290)

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2019 (2018:\$NIL).

The notes on pages 14 to 25 form part of these financial statements.

RIGHT OF REPLY PLC
REGISTERED NUMBER: 10239054

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	31 December 2019 \$	30 June 2018 \$
Fixed assets			
Intangible assets	12	16,567	6,312
Investments	13	1,299,249	2,065,433
		<u>1,315,816</u>	<u>2,071,745</u>
Current assets			
Debtors: amounts falling due within one year	14	265,709	168,084
Cash at bank and in hand	15	6,353	509,980
		<u>272,062</u>	<u>678,064</u>
Creditors: amounts falling due within one year	16	(1,158,852)	(213,913)
Net current (liabilities)/assets		<u>(886,790)</u>	<u>464,151</u>
Total assets less current liabilities		<u>429,026</u>	<u>2,535,896</u>
Net assets		<u>429,026</u>	<u>2,535,896</u>
Capital and reserves			
Called up share capital	18	87,982	84,570
Share premium account	19	3,045,983	2,880,216
Profit and loss account	19	(2,704,939)	(428,890)
		<u>429,026</u>	<u>2,535,896</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 September 2021.



Alfredo Villa
Signed on 02/10/21 @ 10:00



Nilesh Kumar Jagatia
Signed on 30/09/21 @ 11:19

Alfredo Villa
Director

Nilesh Kumar Jagatia
Director

The notes on pages 14 to 25 form part of these financial statements.

RIGHT OF REPLY PLC

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2019**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 July 2018	84,570	2,880,216	(428,890)	2,535,896
Comprehensive income for the period				
Loss for the period	-	-	(2,276,049)	(2,276,049)
Total comprehensive income for the period	-	-	(2,276,049)	(2,276,049)
Shares issued during the period	3,412	165,767	-	169,179
Total transactions with owners	3,412	165,767	-	169,179
At 31 December 2019	87,982	3,045,983	(2,704,939)	429,026

The notes on pages 14 to 25 form part of these financial statements.

RIGHT OF REPLY PLC

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2018**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$	\$	\$	\$
At 20 July 2017	84,570	-	(77,600)	6,970
Comprehensive income for the year				
Loss for the year	-	-	(351,290)	(351,290)
Total comprehensive income for the year	-	-	(351,290)	(351,290)
Shares issued during the year	-	2,939,887	-	2,939,887
Shares redeemed during the year	-	(59,671)	-	(59,671)
Total transactions with owners	-	2,880,216	-	2,880,216
At 30 June 2018	84,570	2,880,216	(428,890)	2,535,896

The notes on pages 14 to 25 form part of these financial statements.

RIGHT OF REPLY PLC

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

	31 December 2019 \$	30 June 2018 \$
Cash flows from operating activities		
Loss for the financial period	(2,276,049)	(351,290)
Adjustments for:		
Amortisation of intangible assets	2,128	762
Interest paid	47,416	6,559
Interest received	(115)	-
Decrease/(increase) in debtors	51,014	(51,014)
(Increase) in amounts owed by groups	(145,588)	(117,070)
Increase in creditors	152,968	2,713
Increase in amounts owed to groups	77,503	-
Increase in provisions	830,310	-
Other	-	11,096
Net cash generated from operating activities	(1,260,413)	(498,244)
Cash flows from investing activities		
Purchase of intangible fixed assets	(12,383)	-
Purchase of fixed asset investments	(64,126)	(947,310)
Purchase of share in associates	-	(1,118,123)
Interest received	115	-
Net cash from investing activities	(76,394)	(2,065,433)
Cash flows from financing activities		
Issue of ordinary shares	166,128	2,939,887
Purchase of ordinary shares	-	(59,671)
Other new loans	714,465	200,000
Interest paid	(47,414)	(6,559)
Net cash used in financing activities	833,179	3,073,657
Net (decrease)/increase in cash and cash equivalents	(503,628)	509,980
Cash and cash equivalents at beginning of period	509,980	-
Cash and cash equivalents at the end of period	6,352	509,980
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	6,352	509,980
	6,352	509,980

The notes on pages 14 to 25 form part of these financial statements.

RIGHT OF REPLY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

1. General information

The company is a private company, limited by shares, incorporated in England & Wales with company number and registered office as detailed on the information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Preparation of consolidated financial statements

The financial statements contain information about Right of Reply PLC as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under the section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

2.3 Going concern

The Company incurred losses of \$2,276,049 (2018: \$351,290) during the period. The losses were in line with the Company's forecasts. At the balance sheet date, the Company had net current liabilities of \$886,790 (2018: net current assets of \$464,151).

The financial statements have been prepared on a going concern basis. The directors have reviewed the Company's going concern position by taking into account its current business activities, budgeted performance and the factors likely to affect its future development. On this basis, the directors have reasonable expectation that the Company has adequate resources to continue in operational existence in the near future, being at least 12 months from the date of the approval of these financial statements.

Covid-19

The Company, in common with most trading entities, has been adversely affected by the coronavirus pandemic and the steps that the Italian and UK governments have taken to contain the disease. The board has taken the steps to safeguard the Company's position including reducing costs and deferring contractual obligations wherever possible. The board is of the opinion that the steps undertaken will safeguard the future of the Company.

RIGHT OF REPLY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional currency is GBP. This differs from the presentational currency which is USD. The reason for the difference is that the group reports in USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

RIGHT OF REPLY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.10 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management and the Board of Directors to make estimates and judgments that affect reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. These estimates are based on historical experience and various other assumptions that management and the Board believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions, significantly impacting the company's earnings and financial position.

4. Other operating income

	2019	2018
	\$	\$
Sundry income	44,814	-
	<u>44,814</u>	<u>-</u>

RIGHT OF REPLY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

5. Operating loss

The operating loss is stated after charging:

	2019	2018
	\$	\$
Exchange differences	23,109	(249,919)

6. Auditors' remuneration

	2019	2018
	\$	\$
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	9,908	4,040

Fees payable to the Company's auditor and its associates in respect of:

All other services	4,756	2,694
	4,756	2,694

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2019	2018
	\$	\$
Wages and salaries	142,255	44,527
	142,255	44,527

The average monthly number of employees, including the directors, during the period was as follows:

	2019	2018
	No.	No.
Directors	3	1

RIGHT OF REPLY PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019**

8. Directors' remuneration

	2019	2018
	\$	\$
Directors' emoluments	142,255	44,527
	<u>142,255</u>	<u>44,527</u>

9. Interest receivable

	2019	2018
	\$	\$
Other interest receivable	115	-
	<u>115</u>	<u>-</u>

10. Interest payable and similar expenses

	2019	2018
	\$	\$
Other loan interest payable	47,416	6,559
	<u>47,416</u>	<u>6,559</u>

11. Taxation

	2019	2018
	\$	\$
Deferred tax		
Taxation on profit on ordinary activities	<u>-</u>	<u>-</u>

RIGHT OF REPLY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

11. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period/year is the same as (2018 - *the same as*) the standard rate of corporation tax in the UK of 19% (2018 - 19 %) as set out below:

	2019 \$	2018 \$
Loss on ordinary activities before tax	(2,276,049)	(351,290)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19 %)	(432,449)	(66,745)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	7,606	9,707
Capital allowances for period/year in excess of depreciation	404	-
Short term timing difference leading to an increase (decrease) in taxation	9,009	-
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	-	(62,333)
Unrelieved tax losses carried forward	415,430	119,371
Total tax charge for the period/year	-	-

Factors that may affect future tax charges

The company has carry forward tax losses totalling \$2,421,057 (2018: \$234,586).

RIGHT OF REPLY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

12. Intangible assets

	Patents \$
Cost	
At 1 July 2018	7,615
Additions - internal	12,383
At 31 December 2019	19,998
Amortisation	
At 1 July 2018	1,303
Charge for the period	2,128
At 31 December 2019	3,431
Net book value	
At 31 December 2019	16,567
<i>At 30 June 2018</i>	6,312

RIGHT OF REPLY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

13. Fixed asset investments

	Investments in subsidiary companies \$	Other fixed asset investments \$	Total \$
Cost or valuation			
At 1 July 2018	947,310	1,118,123	2,065,433
Additions	64,126	-	64,126
At 31 December 2019	1,011,436	1,118,123	2,129,559
Impairment			
Charge for the period	49,039	781,271	830,310
At 31 December 2019	49,039	781,271	830,310
Net book value			
At 31 December 2019	962,397	336,852	1,299,249
At 30 June 2018	947,310	1,118,123	2,065,433

Other fixed asset investments

Company hold 10% shares in TF Group SRL (The Fool SRL).

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Duene SRL	Municipiul Iasi, Strada Bularga, Nr.8, terasa, Etaj4, Judet Iasi, Romania	Ordinary	51%
The Reputation Exchange PLC	Suite 2A1 Northside House Mount Pleasant Cockfosters Barnet EN49EB	Ordinary	74.2%
Passion securities Ltd	3rd floor, 120 Baker street, London, W1U 6TU	Ordinary	100%

RIGHT OF REPLY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

13. Fixed asset investments (continued)

Subsidiary undertakings (continued)

The aggregate of the share capital and reserves as at 31 December 2019 and the profit or loss for the period ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves \$	Profit/(Loss) \$
Duene SRL	(27,190)	(52,027)
The Reputation Exchange PLC	628,907	(146,745)
Passion Securities Ltd	100	-

14. Debtors

	31 December 2019 \$	30 June 2018 \$
Amounts owed by group undertakings	262,658	117,070
Other debtors	-	51,014
Called up share capital not paid	3,051	-
	<u>265,709</u>	<u>168,084</u>

15. Cash and cash equivalents

	31 December 2019 \$	30 June 2018 \$
Cash at bank and in hand	6,352	509,980
	<u>6,352</u>	<u>509,980</u>

RIGHT OF REPLY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

16. Creditors: Amounts falling due within one year

	31 December 2019 \$	30 June 2018 \$
Other loans	914,466	200,000
Trade creditors	72,338	-
Amounts owed to group undertakings	77,503	-
Other creditors	620	620
Accruals and deferred income	93,925	13,293
	<u>1,158,852</u>	<u>213,913</u>

17. Financial instruments

	31 December 2019 \$	30 June 2018 \$
Financial assets		
Financial assets measured at fair value through profit or loss	<u>269,011</u>	<u>678,064</u>
Financial liabilities		
Other financial liabilities measured at fair value through profit or loss	<u>(1,158,230)</u>	<u>(213,293)</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and investments.

Other financial liabilities measured at fair value through profit or loss comprise other loans, trade receivables and accruals.

18. Share capital

	31 December 2019 \$	30 June 2018 \$
Allotted, called up and fully paid		
2,446,000 Ordinary shares of £0.025 each	87,982	-
2,336,000 Ordinary shares of £0.025 each	-	84,570
	<u>87,982</u>	<u>84,570</u>

On 3 October 2019 110,000 ordinary £0.025 shares were issued for a total consideration of USD168,044 (£135,443).

RIGHT OF REPLY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

19. Reserves

Share premium account

The balance on the share premium account represents the balance of \$3,045,983 excess over the nominal value of the share capital received less the costs of issuance.

Profit and loss account

The balance on the profit and loss account represents the loss balance of \$2,704,939 which is cumulative profit and losses since incorporation.

20. Related party transactions

During the period, the company paid director fees of \$94,940 and \$47,315 to the directors, A Villa and Nilesh Jagatia respectively.

At the balance sheet date, there was \$200,000 payable to the shareholder, Elvira Licusati which was included in other loans within creditors. The loan carries interest and was repaid after the balance sheet date..The company also owed an amount of \$68,243 to its subsidiary 'The Reputation Exchange PLC'.

21. Reserves

Share premium account

The balance on the share premium account represents the balance of \$3,045,983 excess over the nominal value of the share capital received less the costs of issuance.

Profit and loss account

The balance on the profit and loss account represents the loss balance of \$2,704,939 which is cumulative profit and losses since incorporation.

RIGHT OF REPLY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

22. Post balance sheet events

On 21 April 2021, the investments in Duenne SRL was sold for a total consideration of €800,000.

Listing and sale of "The Reputation Exchange Plc' shares in 2021.

7% Promissory notes will be repaid in 2021 and the following will be converted in to shares of "The Reputation Exchange PLC".

06/08/2018	SIG.NA Terenghi 167187 Sottoscr	50,000
12/09/2018	Dolce 150519 Sottoscr	45,000
07/11/2018	Paolo Sergio Ter 117815 Acquisto	300,000
16/11/2018	Michela Terenghi 127493 M. Teren	50,000
18/03/2019	Sacco Fausto 181686 Pofichbe	50,000
10/06/2019	Irondeal Investm 125826 Capital	100,000

Due to the coronavirus pandemic outbreak all business operations were suspended in March 2020. The business re-commenced limited trading in July 2020 to conform with restrictions. Restrictions will be part of trading for the foreseeable future.

The full extent of the impact of these restrictions and the future government support to be provided cannot be fully assessed, and therefore we are unable to determine what financial effects this outbreak could have on the business. The directors are of the opinion that the company's operations have not been materially adversely impacted by the pandemic.

23. Ultimate controlling party

By virtue of the shareholding, there is no ultimate controlling party.

The company is a member of a small group and consolidated financial statements are not required.