

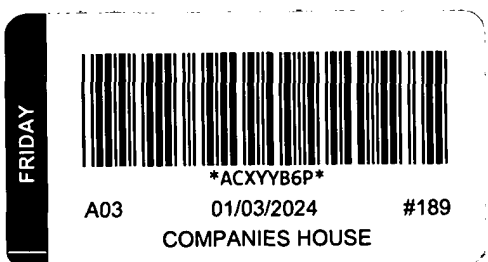
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Company No: FC034957 (Guernsey)

EITEN (GUERNSEY) LIMITED

Annual Report and Unaudited Financial Statements

For the financial year ended 31 March 2023



EITEN (GUERNSEY) LIMITED
Annual Report and Unaudited Financial Statements
For the financial year ended 31 March 2023

Contents

Company Information	2
Director's Report	3
Director's Responsibilities Statement	4
Accountant's Report	5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8
Detailed Profit and Loss Account	15

EITEN (GUERNSEY) LIMITED

COMPANY INFORMATION

For the financial year ended 31 March 2023

DIRECTOR

B P Dargan

SECRETARY

Intertrust International Management Ltd

REGISTERED OFFICE

PO Box 119
Martello Court
Admiral Park
St Peter Port
GY1 3HB
Guernsey

COMPANY NUMBER

FC034957 (Guernsey)

INCORPORATION DATE

09 March 2015

COMPANY CLASSIFICATION

Eiten (Guernsey) Limited is a private company limited by shares and registered in Guernsey under the Companies (Guernsey) Law, 2008.

ACCOUNTANT

Gravita Business Services Limited
Finsgate
5-7 Cranwood Street
London
EC1V 9EE
United Kingdom

EITEN (GUERNSEY) LIMITED
DIRECTOR'S REPORT
For the financial year ended 31 March 2023

The director presents this Annual Report and the unaudited financial statements of the Company for the financial year ended 31 March 2023.

This Director's Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

PRINCIPAL ACTIVITIES

The principal activity of the Company during the financial year was that of an investment holding company.

The Company is registered in both Guernsey and the United Kingdom. The financial statements are prepared and used for UK corporation tax return purposes.

The Company was incorporated on 9 March 2015.

GOING CONCERN

The director has prepared the financial statements on the going concern basis. Further details are provided in the notes to the financial statements.

DIRECTOR

The director, who served during the financial year and to the date of this report except as noted, was as follows:

B P Dargan

AUDIT EXEMPTION

The Company has claimed exemption from statutory audit under the provisions of Section 256 of The Companies (Guernsey) Law, 2008.

Approved by the Board of Directors and signed on its behalf by:

Barry Dargan

B P Dargan
Director

PO Box 119
Martello Court
Admiral Park
St Peter Port
GY1 3HB
Guernsey

Date: 22/12/2023 | 5:13:31 GMT

EITEN (GUERNSEY) LIMITED
DIRECTOR'S RESPONSIBILITIES STATEMENT
For the financial year ended 31 March 2023

The director is responsible for preparing the financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for that financial period and are in accordance with applicable laws.

The Companies (Guernsey) Law, 2008 requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the director must not approve the financial statements unless he is 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 director is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements have been properly prepared in accordance with The Companies (Guernsey) Law, 2008. The director is 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.

**ACCOUNTANT'S REPORT TO THE DIRECTOR ON THE PREPARATION OF
THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF EITEN (GUERNSEY) LIMITED**
For the financial year ended 31 March 2023

In order to assist you to fulfil your duties under the Companies Guernsey Law 2008, we have prepared for your approval the financial statements of Eiten (Guernsey) Limited for the financial year ended 31 March 2023 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 9 from the Company's accounting records and from information and explanations you have given us.

We are subject to the ethical and other professional requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

It is your duty to ensure that Eiten (Guernsey) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Eiten (Guernsey) Limited. You consider that Eiten (Guernsey) Limited is exempt from the statutory audit requirement for the financial year.

We have not been instructed to carry out an audit or a review of the financial statements of Eiten (Guernsey) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

This report is made solely to the Director of Eiten (Guernsey) Limited, as a body, in accordance with the terms of our engagement letter dated 31 October 2018. Our work has been undertaken solely to prepare for your approval the financial statements of Eiten (Guernsey) Limited and state those matters that we have agreed to state to the director of Eiten (Guernsey) Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Eiten (Guernsey) Limited and its Director as a body for our work or for this report.

Gravita Business Services Limited

Gravita Business Services Limited
Accountant
Finsgate
5-7 Cranwood Street
London
EC1V 9EE
United Kingdom

Date: 22/12/2023 | 5:22:30 GMT

EITEN (GUERNSEY) LIMITED
PROFIT AND LOSS ACCOUNT
For the financial year ended 31 March 2023

	Note	2023 JPY	2022 JPY
Turnover		12,038,000	7,916,970
Cost of sales		<u>(3,770,886)</u>	<u>(3,104,933)</u>
Gross profit		8,267,114	4,812,037
Administrative expenses		(20,437,142)	(599,533)
Other operating (loss)/income		<u>(57,992,248)</u>	<u>129,679,107</u>
Operating (loss)/profit		(70,162,276)	133,891,611
Income from other fixed asset investments		<u>36,097,870</u>	<u>25,851,411</u>
(Loss)/profit before interest and taxation		(34,064,406)	159,743,022
* Interest payable and similar expenses		<u>(4,557,642)</u>	<u>(1,979,616)</u>
(Loss)/profit before taxation	3	(38,622,048)	157,763,406
Tax on (loss)/profit		<u>15,834,087</u>	<u>(34,876,413)</u>
(Loss)/profit for the financial year		<u>(22,787,961)</u>	<u>122,886,993</u>

EITEN (GUERNSEY) LIMITED

BALANCE SHEET

As at 31 March 2023

	Note	2023 JPY	2022 JPY
Fixed assets			
Investment property	4	362,696,736	362,696,736
Investments	5	685,609,820	745,911,023
		<u>1,048,306,556</u>	<u>1,108,607,759</u>
Current assets			
Debtors	6	43,359,634	13,945
Cash at bank and in hand		6,195,210	3,934,572
		<u>49,554,844</u>	<u>3,948,517</u>
Creditors: amounts falling due within one year	7	(1,056,364,375)	(1,027,189,069)
Net current liabilities		<u>(1,006,809,531)</u>	<u>(1,023,240,552)</u>
Total assets less current liabilities		<u>41,497,025</u>	<u>85,367,207</u>
Provision for liabilities		(28,924,785)	(50,007,006)
Net assets		<u>12,572,240</u>	<u>35,360,201</u>
Capital and reserves			
Called-up share capital		13,945	13,945
Profit and loss account		12,558,295	35,346,256
Total shareholders' funds		<u>12,572,240</u>	<u>35,360,201</u>

These financial statements have been prepared in accordance with the provisions of FRS 102 Section 1A – small entities. The financial statements of Eiten (Guernsey) Limited (registered number: FC034957) were approved by the director and authorised for issue on 22/12/2023 | 5:13:31 GMT. They were signed on its behalf by:



B P Dargan
Director

EITEN (GUERNSEY) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year.

General information and basis of accounting

Eiten (Guernsey) Limited (the Company) is a private company, limited by shares, incorporated in Guernsey under the Companies (Guernsey) Law, 2008 and is also registered in England and Wales. The address of the Company's registered office is PO Box 119, Martello Court, Admiral Park, St Peter Port, GY1 3HB, Guernsey and its registered number is 59994.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

The functional currency of the Company is considered to be Japanese Yen (¥) because that is the currency of the economic environment in which the Company operates.

Going concern

The director has assessed the Balance Sheet and likely future cash flows at the date of approving these financial statements. The director has a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the Profit and Loss Account in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in the Statement of Comprehensive Income.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts and rebates. Turnover is the amount derived from the collection of rents and falls within the Company's ordinary activities. Turnover is recognised in the period in which the rents are receivable. All turnover arises in Japan.

EITEN (GUERNSEY) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial year ended 31 March 2023

Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

Finance costs

Finance costs are charged to the Profit and Loss Account over the term of the debt using the effective interest method so 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.

Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets and liabilities are not discounted.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Leases

The Company as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the company's net investment outstanding in respect of leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

EITEN (GUERNSEY) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial year ended 31 March 2023

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Profit and Loss Account as described below.

Non-financial assets

At each balance sheet date, the company reviews its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Investment property

Investment property for which fair value can be measured reliably are measured at fair value annually with any change recognised in the Profit and Loss Account.

EITEN (GUERNSEY) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial year ended 31 March 2023

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through the Profit and Loss Account. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Balance Sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2. Employees

	2023	2022
	Number	Number
Monthly average number of persons employed by the Company during the year, including the director	1	1

EITEN (GUERNSEY) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial year ended 31 March 2023

3. (Loss)/profit before taxation

(Loss)/profit before taxation is stated after charging/(crediting):

	2023	2022
	JPY	JPY
Loss/(gain) on the revaluation of fixed asset investments	92,479,873	(80,407,369)
Foreign exchange gains on fixed asset investments	(33,199,853)	(49,271,738)
Profit on disposal of fixed asset investments	(1,287,772)	-

4. Investment property

	Investment property JPY
Valuation	
As at 01 April 2022	362,696,736
As at 31 March 2023	362,696,736

Investment properties, which are freehold, were valued by the director as at 31 March 2023. In the director's opinion the fair value of investment property at 31 March 2023 is unchanged from its historic cost.

5. Fixed asset investments

	2023	2022
	JPY	JPY
Subsidiary undertakings	18,299	18,299
Other investments and loans	685,591,521	745,892,724
	685,609,820	745,911,023

Investments in subsidiaries

	2023 JPY
Cost	
At 01 April 2022	18,299
At 31 March 2023	18,299
Carrying value at 31 March 2023	18,299
Carrying value at 31 March 2022	18,299

The Company holds 100% of the ordinary shares in its subsidiary undertakings, Eiten Limited, at a carrying value of ¥18,299.

Eiten Limited is registered in England and Wales at 6 Warwick Street, London, W1B 5LU and the principal activity is the holding of investments.

EITEN (GUERNSEY) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial year ended 31 March 2023

	Listed investments	Total
	JPY	JPY
Carrying value before impairment		
At 01 April 2022	745,892,724	745,892,724
Disposals	(1,021,183)	(1,021,183)
Movement in fair value	(92,479,873)	(92,479,873)
Movement in foreign exchange	33,199,853	33,199,853
At 31 March 2023	<u>685,591,521</u>	<u>685,591,521</u>
Provisions for impairment		
At 01 April 2022	-	-
At 31 March 2023	<u>-</u>	<u>-</u>
Carrying value at 31 March 2023	<u>685,591,521</u>	<u>685,591,521</u>
Carrying value at 31 March 2022	<u>745,892,724</u>	<u>745,892,724</u>

Investments also comprise listed investments and represent investments in non-puttable ordinary shares and are measured at fair value through the Profit and Loss Account at 31 March 2023.

6. Debtors

	2023	2022
	JPY	JPY
Amounts owed by related parties	41,916,859	-
Accrued income	1,428,830	-
Other debtors	13,945	13,945
	<u>43,359,634</u>	<u>13,945</u>

Included within other debtors is ¥13,945 of unpaid share capital (2022: ¥13,945).

EITEN (GUERNSEY) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial year ended 31 March 2023

7. Creditors: amounts falling due within one year

	2023	2022
	JPY	JPY
Bank loans	285,481,257	248,924,021
Amounts owed to Group undertakings	14,197,762	13,576,583
Amounts owed to director	750,291,174	755,453,584
Accruals	2,023,059	1,536,576
Corporation tax	792,824	4,120,006
Other creditors	3,578,299	3,578,299
	<u>1,056,364,375</u>	<u>1,027,189,069</u>

Amounts owed to Group undertakings are repayable on demand and do not bear interest.

8. Related party transactions

Included within debtors is a loan of ¥41,916,859 (2022: ¥nil) owed from Inro Limited, a company incorporated in Dubai, a company under common control.

Included within creditors falling due within one year is a loan of ¥750,291,174 (2022: ¥755,453,584) from B P Dargan, the director of the Company. The loan is unsecured, interest free and repayable on demand.

No remuneration was paid to the director during the current or prior year.

The Company has taken advantage of the exemptions available in section 33 of FRS 102 to not disclose transactions with other wholly owned subsidiaries in the group.

9. Ultimate controlling party

The ultimate controlling party is Mr B P Dargan.

EITEN (GUERNSEY) LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
For the financial year ended 31 March 2023

	2023	2022
	JPY	JPY
Turnover		
Sales	<u>12,038,000</u>	<u>7,916,970</u>
Cost of sales		
General	<u>(3,770,886)</u>	<u>(3,104,933)</u>
Gross profit	<u>8,267,114</u>	<u>4,812,037</u>
Administrative expenses		
Bank charges	(8,950)	(17,360)
(Loss)/gain on foreign exchange transactions	(16,511,282)	317,505
Accountancy fees	(1,647,760)	-
Legal and professional fees	(837,269)	-
Management fees	<u>(1,431,881)</u>	<u>(899,678)</u>
	<u>(20,437,142)</u>	<u>(599,533)</u>
Other operating (loss)/income		
Unrealised FX gains	33,199,853	49,271,738
Gain on disposal of fixed asset investments	1,287,772	-
(Loss)/gain on fair value movement of fixed asset investments	<u>(92,479,873)</u>	<u>80,407,369</u>
	<u>(57,992,248)</u>	<u>129,679,107</u>
Operating (loss)/profit	<u>(70,162,276)</u>	<u>133,891,611</u>
Income from other fixed asset investments	36,097,870	25,851,411
(Loss)/profit before interest and taxation	<u>(34,064,406)</u>	<u>159,743,022</u>
Interest payable and similar expenses		
Bank interest payable	<u>(4,557,642)</u>	<u>(1,979,616)</u>
(Loss)/profit before taxation	<u>(38,622,048)</u>	<u>157,763,406</u>