

**Strategic Report, Report of the Directors and  
Financial Statements For The Year Ended 31st July 2021  
for  
BotOptions (UK) Plc**

**BotOptions (UK) Plc**

**Contents of the Financial Statements  
For The Year Ended 31st July 2021**

	<b>Page</b>
<b>Company Information</b>	1
<b>Strategic Report</b>	2
<b>Report of the Directors</b>	4
<b>Report of the Independent Auditors</b>	6
<b>Statement of Comprehensive Income</b>	8
<b>Statement of Financial Position</b>	9
<b>Statement of Changes in Equity</b>	10
<b>Statement of Cash Flows</b>	11
<b>Notes to the Financial Statements</b>	12

BotOptions (UK) Plc

**Company Information  
For The Year Ended 31st July 2021**

**DIRECTORS:** V Valasakis  
F E Driscoll  
R K Dua (Resigned on 18/03/2021)  
T H Holmes (Appointed on 18/03/2021)

**SECRETARY:** Woodberry Secretarial Limited

**REGISTERED OFFICE:** Level 1, Devonshire House,  
One Mayfair Place,  
Mayfair  
London  
W1J 8AJ

**REGISTERED NUMBER:** 09709826 (England and Wales)

**AUDITORS:** Hillier Hopkins LLP  
Radius House  
51 Clarendon Road  
Watford  
WD17 1HP

**Strategic Report  
For The Year Ended 31st July 2021**

The directors present their strategic report for the year ended 31st July 2021.

**FINANCIAL REVIEW**

Financial Year 2021 was the sixth one since incorporation. The company made a pre-tax loss for the year as anticipated for the company's annual results and at the balance sheet date there were net liabilities. Post-year end activity continue to reflect those of a healthy start-up company entering a rapid growth stage. Over the past few years, the critical development of the company's operations was the Listing Approval by the Bermuda Stock Exchange of our shipping bond programme. The company continues to focus on assisting clients in issuing their bonds. In addition, a pioneering project is currently underway relating to issuing a financial instrument in Cryptocurrencies. Up to this point, the company has successfully dealt with all related challenges on such a project. To the best of our knowledge, it will be the first of its kind ever to be launched, provided that the company will get approval from the relevant regulatory and listing authorities. When viewing company activity under the industry's adverse conditions, which limited shipping activity, it is a success that this had a minimal impact.

In contrast, the post balance sheet date strengthening of the balance sheet has a multiplying effect on the company's potential. The company is ready to take advantage of these opportunities as they arise, especially in a potentially inflationary post-Covid environment. The successful funding of the company's bonds will propel the company to materialise its plans in a mature market that has embedded medium to long-term returns to all parties involved. There are other financing projects that the company is currently negotiating with major players in various industries with the prospect of swift implementation.

**PRINCIPAL RISKS AND UNCERTAINTIES**

A number of potential risks and uncertainties could have a significant impact on the Company's performance and could cause actual results to differ materially from those budgeted, expected and historical results. The principal business risks that the Company faces are the competitive nature of the marketplace as well as currency fluctuations and credit risk. Brexit uncertainty may also be a factor that could potentially have a material effect on budgeting post year-end. The future imposition of capital controls and travel bans both in the European Union and/or in the United Kingdom due to the combined impact of Brexit and the pandemic on both the UK and the EU economies, may negatively impact the operations of the Company.

Since December 2019, the spread of COVID-19 severely impacted global and local economies. In many countries, businesses were forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global markets experienced great volatility with supply chains particularly affected. Exchanges, regulators and all levels of administration faced delays in approving new issues. Should these conditions of uncertainty remain the same with a further wave of the pandemic unfolding globally, there is a risk that investor appetite for new issues and especially derivative bonds might be affected. Although Governments and Central Banks have responded with monetary and fiscal interventions to stabilise economic conditions, this does not imply that the Company will be able to proceed with its plans with further adjustment or unintended delay. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

The directors have the responsibility for risk management and have various strategies for doing so. Key strategies are laid out in note 18 to the Accounts.

**FINANCIAL & NON-FINANCIAL KEY PERFORMANCE INDICATORS**

The Company's key performance indicators are considered to be Revenue and Liquidity.

The revenue in the period was £50,650 (2020: £187,500). Going forward a KPI will be the amount of funds raised under the approved by the Exchange bond programme that the company may be seeking approval for by the Exchange.

The Company also monitors the outcome of due diligence processes into potential clients and new projects. During the year a number of projects were evaluated for potential future work, and additional projects approved.

**DIRECTORS STATEMENT OF COMPLIANCE WITH DUTY TO PROMOTE THE SUCCESS OF THE COMPANY**

The Directors of the Company, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 and include a duty to promote the success of the Company, which is summarised below:

The executive Directors meet regularly to discuss their duties and they can access professional advice on these – either through the Company, or if they judge it necessary, from an independent provider.

The Director fulfil their duties partly through a governance framework that delegates day-to-day decision making to employees of the Company. The Board recognises that such delegation needs to extend beyond more than simple financial authorities, and therefore set out below we have summarised how the Directors fulfil their on-going operational duties:

**Our People**

The company is committed to being a responsible business. Our behaviour is aligned with the expectations of our people, clients, investors, communities and society as a whole. For our business to succeed we need to manage our people's performance and develop and bring through talent while ensuring we operate as efficiently as possible. We must ensure common values that inform and guide our behaviour so we achieve our goals in the right way.

**Business relationships**

Our strategy prioritise organic growth, to achieve this we need to develop and maintain strong client relationships. We value all our clients and BotOptions (UK) Plc

**Strategic Report  
For The Year Ended 31st July 2021**

suppliers and in line with our Business culture endeavour to act with integrity at all times.

**Community and environment**

The Company approach is to use our position of strength to create positive change for the people and communities with which we interact.

This strategic report was approved by the board on [31/01/2022](#) and signed on its behalf by

*Vas Valasakis*

.....  
V Valasakis - Director

## **BotOptions (UK) Plc**

### **Report of the Directors For The Year Ended 31st July 2021**

The directors present their report with the financial statements of the company for the year ended 31st July 2021.

#### **PRINCIPAL ACTIVITY**

The principal activity of the Company will be the issue of bonds and other instruments for the purpose of financing shipping vessels, as well as niche asset backed classes. The Company is currently seeking to review the energy related sector of its business plan and it may choose to substitute the sector with a similar but specialised asset backed class.

#### **REVIEW OF BUSINESS**

The Company's pre-tax loss for the year was £73,608 (2020: pre-tax loss of £48,056). The company has not paid dividends in either the current or prior financial years.

#### **FUTURE DEVELOPMENTS**

The disruptions in shipping and the transitory economic environment due to significant inflationary pressures created a favourable market environment for placing the Company's bonds. Potential higher rates give us the opportunity for higher profit margins. During the lockdown, the Company took full advantage of the pause to immediately grow its operations upon reopening, having expanded and adapted its lending model to 2 more high return business segments. Clients have already been briefed and are fully ready to proceed when the Company feels that the timing is right to onboard these projects. This coming year, cash flow will far exceed initial expectations per our business plan. In conclusion, by issuing at least one shipping bond and posting two more, the Company will transform from a start-up level to one of growth.

#### **POST BALANCE SHEET EVENT**

On 20th July 2021, the company pledged its assets (fixed and floating charge) to Blue Water Capital Limited who are the security trustee in pursuance of a bond to be listed on the Bermuda Stock Exchange.

On 1st November 2021, 78,000 new Preference C Shares were issued at par value with an option to convert them to Class B shares.

#### **DIRECTORS**

The directors holding office during the period were:

V Valasakis

F E Driscoll

R K Dua (Resigned on 18/03/2021)

T H Holmes (Appointed on 18/03/2021)

#### **PROVISION 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 that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditor is aware of that information.

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, 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.

#### **GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENCY ACTION**

The Company has not disclosed information in respect of greenhouse gas emissions, energy consumption and energy efficiency action as its energy consumption in the United Kingdom for the year is 40,000kWh or lower.

BotOptions (UK) Plc

Report of the Directors  
For The Year Ended 31st July 2021

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITOR**

The auditors, Hillier Hopkins LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**ON BEHALF OF THE BOARD:**

*Vas Valasakis*

.....  
V Valasakis - Director

Date: 31/01/2022.....

## **Report of the Independent Auditors to the Members of BotOptions (UK) Plc**

### **Opinion**

We have audited the financial statements of BotOptions (UK) Plc (the 'company') for the year ended 31st July 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows 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 International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st July 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRS); 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.

### **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.

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 company'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.

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

### **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to where 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, 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.

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:



## Report of the Independent Auditors to the Members of BotOptions (UK) Plc

- the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the management that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, Financial Conduct Authority regulations and relevant tax legislation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

### 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 a Report of the Auditors 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.



Neil Cundale BSc FCA (Senior Statutory Auditor)  
for and on behalf of Hillier Hopkins LLP  
Radius House  
51 Clarendon Road  
Watford  
WD17 1HP

Date: 31 January 2022

BotOptions (UK) Plc

Statement of Comprehensive Income  
For The Year Ended 31st July 2021

	Notes	Year Ended 31.7.21 £	Year Ended 31.7.20 £
<b>CONTINUING OPERATIONS</b>			
Revenue	4	50,650	187,500
Other operating income		1,250	-
Administrative expenses		<u>(108,555)</u>	<u>(221,174)</u>
<b>OPERATING LOSS</b>	5	(56,655)	(33,674)
Finance costs	6	<u>(16,953)</u>	<u>(14,382)</u>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(73,608)	(48,056)
Tax payable on Loss	8	<u>-</u>	<u>6,276</u>
<b>LOSS FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS</b>		(73,608)	(41,780)
Other Comprehensive Income		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO EQUITY HOLDERS</b>		<u><u>(73,608)</u></u>	<u><u>(41,780)</u></u>

The notes on pages 12 to 19 form part of these financial statements

Statement of Financial Position  
31st July 2021

	Notes	As at 31.7.21 £	As at 31.7.20 £
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	<u>174</u>	<u>232</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	10	526,293	519,582
Cash and cash equivalents	11	<u>49</u>	<u>2,507</u>
		<u>526,342</u>	<u>522,089</u>
<b>TOTAL ASSETS</b>		<u>526,516</u>	<u>522,321</u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	12	51,000	51,000
Retained earnings	13	<u>(101,725)</u>	<u>(28,117)</u>
<b>TOTAL EQUITY</b>		<u>(50,725)</u>	<u>22,883</u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	14	104,863	98,725
Loans and borrowings	15	<u>50,000</u>	<u>50,000</u>
		<u>154,863</u>	<u>148,725</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables: amounts falling due within one year	14	285,553	210,820
Loans and borrowings	15	<u>136,825</u>	<u>139,893</u>
		<u>422,378</u>	<u>350,713</u>
<b>TOTAL LIABILITIES</b>		<u>577,241</u>	<u>499,438</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>526,516</u>	<u>522,321</u>

The financial statements were approved by the Board of Directors and authorised for issue on 31/01/2022 and were signed on its behalf by:

*Vas Valasakis*  
.....  
V Valasakis - Director

BotOptions (UK) Plc

Statement of Changes in Equity  
For The Year Ended 31st July 2021

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1st August 2019</b>	51,000	13,663	64,663
<b>Changes in equity</b>			
Total comprehensive income	<u>-</u>	<u>(41,780)</u>	<u>(41,780)</u>
<b>Balance at 31st July 2020</b>	<u>51,000</u>	<u>(28,117)</u>	<u>22,883</u>
<b>Changes in equity</b>			
Total comprehensive loss	<u>-</u>	<u>(73,608)</u>	<u>(73,608)</u>
<b>Balance at 31st July 2021</b>	<u><u>51,000</u></u>	<u><u>(101,725)</u></u>	<u><u>(50,725)</u></u>

The notes on pages 12 to 19 form part of these financial statements

BotOptions (UK) Plc

Statement of Cash Flows  
For The Year Ended 31st July 2021

	Year Ended 31.7.21 £	Year Ended 31.7.20 £
Cash flows from operating activities		
Loss for the period	(73,608)	(41,780)
Adjustments for:		
Finance cost	16,953	14,382
Tax expense	-	(6,276)
Decrease / (Increase) in receivables	(6,711)	43,151
(Decrease) / Increase in payables	77,803	(83,530)
Depreciation	58	47
Operating cashflows	<u>14,495</u>	<u>(74,006)</u>
Net cash generated from operating activities	<u>14,495</u>	<u>(74,006)</u>
Financing activities		
New loan	-	52,916
Interest payable	(16,953)	-
Net cash inflow from financing activities	<u>(16,953)</u>	<u>52,916</u>
Investing activities		
Purchase of fixed assets	-	(279)
Net cash inflow from investing activities	<u>-</u>	<u>(279)</u>
Net increase in cash and cash equivalents	(2,458)	(21,369)
Cash and cash equivalents at start of period	2,507	23,876
Cash and cash equivalents at end of period	<u>49</u>	<u>2,507</u>

Analysis of changes in net debt

	At 1 August 2020	Cash Flow	Other non-cash changes	At 31 July 2021
Cash and cash equivalents				
Cash	2,507	(2,458)	-	49
	<u>2,507</u>	<u>(2,458)</u>	-	<u>49</u>
Borrowings				
Debt due within one year	(273,320)	(48,976)	-	(322,296)
Debt due after one year	(148,725)	(6,138)	-	(154,863)
	<u>(463,213)</u>	<u>(45,384)</u>	-	<u>(508,597)</u>
Total	<u>(419,538)</u>	<u>(57,572)</u>	-	<u>(477,110)</u>

The notes on pages 12 to 19 form part of these financial statements

## 1. STATUTORY INFORMATION

BotOptions (UK) Plc is a public company, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

## 2. ACCOUNTING POLICIES

### Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs and IFRIC interpretations) as endorsed by the European Union ("endorsed IFRS") and with those parts of the Companies Act 2006 applicable to companies preparing their accounts under endorsed IFRS.

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs).

In the current year the company has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1<sup>st</sup> January 2019.

- IFRS 16 Leases

The application of IFRS 16 has not had a significant impact on the financial position and the financial performance of the company as the current operating lease (rent) has been changed to monthly rolling contract.

### IFRS 15 – Revenue from contracts with customers

IFRS 15 Revenue from contracts with customers, supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to customers.

The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

Apart from providing more extensive disclosures for the company's revenue transactions, the application of IFRS 15 has not had a significant impact on the financial position and financial performance of the company.

Revenue is recognised when performance obligations are met. To determine whether to recognise revenue, the company follows a 5-step process:

1. Identifying the contract with a customer.
2. Identifying the performance obligations.
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue when/as performance obligation(s) are satisfied.

Consultancy revenue is recognised at the point in time when the company satisfies performance obligations by transferring the promised services to its customers.

### IFRS 9 Financial Instruments

IFRS 9 Financial instruments replaces IAS 39 Financial Instruments: Recognition and Measurement which brings together three aspects of the accounting for financial instruments; classification and measurement; impairment; and hedge accounting.

### Going concern and COVID-19

As with earlier years there are a number of potential risks and uncertainties, which could have a material impact on the Company's performance and could cause actual results to differ materially from budgeted, expected and historical results. The principal business risks that the Company faces are the competitive nature of the marketplace as well as currency fluctuations and credit risk. Brexit uncertainty may also be a factor that could potentially have a material effect on budgeting post year-end. Although the Company has successfully mitigated any adverse effects that could have been caused by Brexit, the future imposition of capital controls both in the European Union and/or in the United Kingdom due to the combined impact of Brexit and the pandemic on both the UK and the EU economies, may negatively impact the operations of the Company.

**Notes to the Financial Statements - continued**  
**For The Year Ended 31st July 2021**

The company has been in pursuance of launching a Bond and that has been delayed due to the COVID-19 Pandemic. Due to travel bans and various other factors outside the Company's control. Should these conditions of uncertainty remain the same with further waves of the pandemic unfolding globally, there is a risk that investor appetite for new issues and especially derivative bonds be weakened. However, the launch is expected during 2022 and final documentation for submission to the Exchange has been prepared and at the time of signing these Accounts has been submitted to the Bermuda Stock Exchange.

The Directors confirm that, after making appropriate enquiries and completing cash flow estimates to the end of the following year, they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. There have also been discussions on a further capital raise to provide cashflow until the Bond has been successfully subscribed to and income flows generated. In the opinion of the directors the company has sufficient resources to meet its obligations for the next 12 months and working capital needed for day-to-day expenditure.

There was further 78,000 Preference C Shares were issued on 1<sup>st</sup> November 2021 at par value.

For the above reasons, the Directors continue to adopt the going concern basis in preparing the financial statements.

**Property, plant and equipment**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 25% on reducing balance

**Foreign currencies**

The Company's functional and presentational currency is Pounds Sterling (£) and this is the currency of the primary economic environment in which the Company operates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Comprehensive Income.

**Trade and other receivables**

Trade and other receivables are non-interest bearing and are stated at their nominal amount less provisions made for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on historical experience together with specific amounts that are not expected to be collectible. Individual amounts are written off when management deems them not to be collectible.

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

**Loans and advances**

Loans and advances receivable are carried at their amortised cost.

**Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the consolidated statement of financial position.

**Trade and other payables**

Trade and other payables are non-interest bearing and are stated at their nominal value.

**Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

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

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The notes on pages 12 to 19 form part of these financial statements

**Notes to the Financial Statements - continued**  
**For The Year Ended 31st July 2021**

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

**Financial assets**

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Company has not classified any of its financial assets as held to maturity.

Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers, e.g. trade receivables. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net; such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the income statement.

On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The Company's loans and receivables comprise trade and other receivables and cash and cash equivalents.

Cash and cash equivalents include cash in hand, deposits held at call and overdrafts with banks.

**Financial liabilities**

Other financial liabilities

Other financial liabilities include the following items:

- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.
- Borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position.

**Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Comprehensive Income on a straight-line basis over the period of the lease.

**3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

In preparing these financial statements the directors have had to make the following judgement:

Determine whether there are any indicators of impairment of the Company's assets. Factors taken into consideration in reaching such a decision include the financial circumstances of the borrower, the financial performance of the asset and additional security thereon.

**4. REVENUE**

	Year Ended 31.7.21	Year Ended 31.7.20
	£	£
Europe	50,650	190,00
Rest of the world	<u>-</u>	<u>(2,500)</u>
	<u>50,650</u>	<u>187,500</u>

Revenue in the current and prior year relates to consultancy services.



Notes to the Financial Statements - continued  
For The Year Ended 31st July 2021

5. OPERATING PROFIT

The operating result is stated after charging/(crediting):

	Year Ended 31.7.21 £	Year End 31.7.20 £
Operating lease rentals	-	12,354
Auditors' remuneration		
Audit services	16,800	21,754
	<u>          </u>	<u>          </u>

6. FINANCE COST

	Year Ended 31.7.21 £	Year Ended 31.7.20 £
Finance cost	<u>16,953</u>	<u>14,382</u>
	<u>16,953</u>	<u>14,382</u>

7. EMPLOYEES AND DIRECTORS

	Year Ended 31.7.21 £	Year Ended 31.7.20 £
Wages and salaries	36,000	36,000
Social security costs	<u>3,726</u>	<u>3,755</u>
	<u>39,726</u>	<u>39,755</u>

The average number of employees during the period was as follows:

	Year Ended 31.7.21	Year Ended 31.7.20
Director	<u>1</u>	<u>1</u>

	Year Ended 31.7.21 £	Year Ended 31.7.20 £
Directors' remuneration	36,000	36,000
Social security costs	<u>3,726</u>	<u>3,755</u>
	<u>39,726</u>	<u>39,755</u>

The number of directors to whom retirement benefits are accruing is NIL (2020: NIL).

8. TAXATION

Analysis of tax expense

	Year Ended 31.7.21 £	Year Ended 31.7.20 £
Current tax:		
Tax	-	(6,276)
Total tax expense in statement of comprehensive income	<u>-</u>	<u>(6,276)</u>

The tax charge for the year is lower (2020: higher) than the charge resulting from the profit before tax at the standard rate of corporation tax in the UK of 19 % (2020: 19%). The differences are explained below.

The notes on pages 12 to 19 form part of these financial statements

Notes to the Financial Statements - continued  
For The Year Ended 31st July 2021

## Tax reconciliation

	Year Ended 31.7.21 £	Year Ended 31.7.20 £
(Loss) / Profit before tax	(73,608)	(48,056)
	<u>(73,608)</u>	<u>(48,056)</u>
Tax at 19%	(13,986)	(9,131)
Expenditure not deductible for tax purposes	1,151	509
Carry forward losses	<u>12,835</u>	<u>2,346</u>
Current tax charge for the period	<u>-</u>	<u>(6,276)</u>

## Factors that may impact on future tax charges:

Legislation will be introduced in Finance Bill 2021 to set the charge to Corporation Tax and set the main rate of Corporation Tax for all non-ring fence profits to 19% for Financial Year 2022 and to set the charge to Corporation Tax and set the main rate at 25% for Financial Year 2023. Legislation will also introduce a small profits rate and will set this at 19%. The small profits rate will apply to profits below the lower limit of £50,000 and profits exceeding the upper limit of £250,000 will be charged at the main rate. The thresholds that apply for determining whether a company is chargeable at the small ring fence profits rate at s279E Corporation Tax Act 2010 will be aligned with these limits.

## 9. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment £
<b>COST</b>	
At 1st August 2020 and 31st July 2021	<u>279</u>
<b>DEPRECIATION</b>	
At 1st August 2020	47
Charge for year	<u>58</u>
At 31st July 2021	<u>105</u>
<b>NET BOOK VALUE</b>	
At 31st July 2021	<u>174</u>
At 31st July 2020	<u>232</u>

## 10. TRADE AND OTHER RECEIVABLES

	As at 31.7.21 £	As at 31.7.20 £
Current:		
Trade debtors	390,924	390,924
Other debtors	750	750
Prepayments	33,029	240
Loan and advances	<u>101,590</u>	<u>127,668</u>
	<u>526,293</u>	<u>519,582</u>

Bad debts and doubtful debts written off and provided in the period are £Nil (2020: £20,441).

The total of trade receivables past due date but not impaired is £390,924 (2020: £390,924).

Loans and advances relate to a loan bearing interest at 10.68%. The security provided against this loan is property Lagada, Kefalonia, Greece. Additionally, there is a promissory note against this loan pledged with a property Aetostassi, Kefalonia, Greece and also secured by a standby letter of credit.

**11. CASH AND CASH EQUIVALENTS**

	As at 31.7.21 £	As at 31.7.20 £
Cash and cash equivalents	<u>49</u>	<u>2,507</u>

**12. CALLED UP SHARE CAPITAL**

Authorised Number:	Class:	Nominal value:	As at 31.7.21 £	As at 31.7.20 £
1,000	Ordinary B shares	£1	1,000	1,000
50,000	Ordinary shares	£1	<u>50,000</u>	<u>50,000</u>
Allotted, issued and fully paid: Number:	Class:	Nominal value:	As at 31.7.21 £	As at 31.7.20 £
1,000	Ordinary B shares	£1	1,000	1,000
50,000	Ordinary shares	£1	50,000	50,000
92,000	Preference C shares	£1	<u>92,000</u>	<u>92,000</u>

Ordinary shares

Each share has full voting rights in the Company with respect to voting, dividends and distributions.

Ordinary B shares

No voting rights. Each share is entitled pari passu to dividend payments or any other distribution.

Preference C shares

The preference shares are classified as liabilities in the Statement of Financial Position.

No voting rights and no rights of redemption. The shares have attached to them rights to a preferential dividend at an annual rate of 5.1% of the issue price per preference share. The shares carry right to capital distributions in the same proportion as if they were distributed by way of a dividend.

**13. RESERVES**

	Retained earnings £
At 1st August 2020	(28,117)
Loss for the period	<u>(73,608)</u>
At 31st July 2021	<u>(101,725)</u>

**14. TRADE AND OTHER PAYABLES**

	As at 31.7.21 £	As at 31.7.20 £
Current:		
Trade creditors	32,825	31,318
Social security and other taxes	16,077	5,486
Other creditors	141,457	133,257
Accrued expenses	51,180	40,589
Directors' current accounts	<u>44,014</u>	<u>170</u>
	<u>285,553</u>	<u>210,820</u>

**Notes to the Financial Statements - continued  
For The Year Ended 31st July 2021**

Non-current:		
Cumulative preference shares of £1 each	92,000	92,000
Accrued interest on preference dividend	<u>12,863</u>	<u>6,725</u>
	<u>104,863</u>	<u>98,725</u>

**15. LOAN AND BORROWINGS**

	As at 31.7.21 £	As at 31.7.20 £
Current:		
Other Loans	<u>136,825</u>	<u>139,893</u>
	<u>136,825</u>	<u>139,893</u>
Non-current:		
Bank Loans	<u>50,000</u>	<u>50,000</u>
	<u>50,000</u>	<u>50,000</u>

Other loans consist of a related party balance which bears interest of 9.1% and will not be due for repayment before 31<sup>st</sup> July 2021. The security provided against this loan is property Lagada, Kefalonia, Greece. Additionally, there is a promissory note against this loan pledged with a property Aetostassi, Kefalonia, Greece and also secured by a standby letter of credit.

Bank loans relates to the loan from Coutts & Co under the government support Bounce Back Loan Scheme. This is 6 year repayment loan with interest of 2.5%.

**16. OTHER FINANCIAL COMMITMENTS**

Upon earning the fee proceeds from the listing of the bond on the Bermuda Stock Exchange, the directors have agreed to pay €300,000 to V Popotas, a company shareholder, for consultancy and other services in relation to securing the bond listing.

**17. RELATED PARTY TRANSACTIONS**

At the period end there was a balance included within other creditors of £44,014 (2020: £170) owed to V Valasakis, a director and shareholder of the Company. There was a £141,157 (2020: £133,257) balance included within other creditors owed to V Popotas, a shareholder of the Company.

V Popotas received £Nil (2020: £8,478) for services provided to the Company during the period. As at the period end, included within trade creditors is an amount of £2,284 (2020: £2,284) owed to him.

As at 31<sup>st</sup> July 2021 an amount of £136,825 (2020: £129,127) was due to Opavel SA, a company that is controlled by V Popotas. During the year interest of £9,565 (2020: £9,716) was charged on this loan. Also during the year, the company received income of £Nil (2019: £6,995) from Opaval SA.

During the year an amount of £14,430 (2020: £16,800) was paid to a company controlled by R Dua for professional services rendered. As at the balance sheet date £16,190 (2020: £7,660) was due to said company. R Dua resigned as director during the year.

**18. FINANCIAL INSTRUMENTS**

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is mainly exposed to credit risk from credit sales. It is Company policy, to assess the credit risk of new customers before entering contracts.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. The company reviews its cash holdings regularly to ensure that it is not over exposed.

Further disclosures regarding trade and other receivables, which are neither past due nor impaired, are provided in note 10.

Foreign exchange risk

Foreign exchange risk arises when the Company entities enter into transactions denominated in a currency other than their functional currency. The Company's management has deemed foreign currency risk immaterial. The company does not hedge for foreign currency

The notes on pages 12 to 19 form part of these financial statements

**Notes to the Financial Statements - continued**  
**For The Year Ended 31st July 2021**

risk.

As the company begins to trade more in foreign currencies, a detailed strategy will be put in place.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due to safeguard the company's ability to continue as a going concern.

Capital risk

The Company monitors its level of capital which comprises all components of equity.

The Company's objective when maintaining capital is so that it can provide returns to shareholders and benefits for other stakeholders. In order to maintain the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Sensitivity analysis

Whilst the Company takes steps to minimise its foreign exchange risk as described above, changes in foreign exchange rates will have an impact on profit.

**19. POST BALANCE SHEET EVENTS**

On 20th July 2021, the company pledged its assets (fixed and floating charge) to Blue Water Capital Limited who are the security trustee in pursuance of a bond to be listed on the Bermuda Stock Exchange.

On 1<sup>st</sup> November 2021, 78,000 new Preference C Shares were issued at par value with an option to convert them to Class B shares.

**20. CONTROLLING PARTY**

The Company is owned equally by Vasileios Valasakis and Vasileios Popotas who are deemed to be the Company's ultimate controlling parties.