

**ANGELFISH INVESTMENTS plc**

**FINANCIAL STATEMENTS**

**ANNUAL REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2016**

**Company Registration Number: 06400833**

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

### CONTENTS

---

	Page
Company Information	2
Strategic Report	3 - 5
Directors' report	5 - 6
Independent auditors' report	7 - 8
Company statement of comprehensive income	9
Company statement of financial position	10
Company statement of changes in equity	11
Company statement of cash flows	12
Notes to the financial statements	13 - 27

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

### COMPANY INFORMATION

---

<b>Directors</b>	:	Andrew J A Flitcroft – Chief Executive Officer Richard I Walker – Non Executive Officer
<b>Secretary</b>	:	Nicholas Narraway
<b>Company Number</b>	:	6400833
<b>Registered Office and Business Address</b>	:	Kings Court Railway Street Altrincham Cheshire WA14 2RD
<b>Auditors</b>	:	Crowe Clark Whitehill LLP St. Bride's House 10 Salisbury Square London EC4Y 8EH
<b>Solicitors</b>	:	Hewitson Moorhead Kildare House 3 Dorset Rise London EC4Y 8EN
<b>Bankers</b>	:	Coop P.O Box 101 1 Balloon Street Manchester M60 4EP
<b>Corporate Advisor</b>	:	Cairn Financial Advisors LLP 61 Cheyne House Crown Court 62-63 Cheapside London EC2V 6AX

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

### STRATEGIC REPORT

---

#### Principal activities and review of the business

The Company's principal activity is that of an investment trading company listed on the NEX Exchange Growth Market (formerly ISDX Growth Market) with trading symbol ANGP for its ordinary shares and ANGP for its preference shares.

Angelfish Investments plc's investment strategy is focused on businesses and companies in the technology sectors, including but not restricted to those engaged in the fields of software applications, mobile communications and accessories, internet and computer related products and technological services related to social or life enhancement. The Directors continue to evaluate potential investee businesses and companies where they perceive the opportunity for significant growth through the utilisation of economies of scale and the implementation of technology based services. The Directors' preference is to acquire controlling shareholdings in UK based or overseas companies whose managements are proposing to seek a stock market quotation in the short/medium term, although the acquisition of minority interests in companies already admitted to the AIM Market of the London Stock Exchange or quoted on the NEX Exchange Growth Market will not necessarily be precluded. The Directors will also consider investment opportunities where the natural exit strategy will be through a trade sale.

In July 2016, the Company changed its accounting reference date from 30 June to 31 December. Consequently these financial statements present the results for the eighteen months ended 31 December 2016 whilst the comparative figures are for the year ended 30 June 2015.

During the eighteen month period to 31 December 2016 ("the Period") the Company made an operating loss excluding investment activities of £112,289 (year to 30 June 2015: £114,350).

The loss before taxation for the Period was £888,997 (year to 30 June 2015: £127,600). This increased loss after interest income of £92,689; is a result of additional financing costs, the write down of loans and investments together with aborted transaction costs, amortisation of preference shares to redemption value and preference dividends payable as explained below.

During the period the Company has continued to hold its investment in One Media Enterprises Limited ("OME"). OME is a UK incorporated holding company for a group of U.S. incorporated companies (generally referred to as "OneMedia") which are engaged in the sourcing, development, marketing and distribution of tech mobile devices including wearables specifically for healthcare management. OneMedia has continued to develop its partnership agreement with AT&T Inc (AT&T) and will launch on AT&T's new Connected Marketplace web site targeted to the healthcare customer. The OneMedia Health Watch is timetabled to be launched as an AT&T Network-Certified device in August 2017 followed by multiple product and market press releases during 2017 with AT&T. The Board notes that OME continues to make valued advances in its refined business model which it believes will ultimately result in Angelfish realising value from this investment. However the Board cannot be certain that the investment and loans will be recoverable and therefore the investment in loans (and previously invoiced management charges) to OME totalling £412,000 have been provided for in the income statement in the period. Despite this, the Directors remain encouraged by OME's progress and are of the opinion that a favourable outcome will ultimately occur at which time it will be reflected in the results of the Company and the impairment provision can be written back.

During the period Angelfish received full repayment of its investment of £250,000 into Axis Capital Markets Limited ("Axis") previously Andes Financial Services Limited.

As part of its continued investment strategy Angelfish, on 31 March 2016, made a secured loan of £77,500 ("the Loan") to 4 Navitas (Green Energy Solutions) Limited ("4Navitas"). 4Navitas is a UK based engineering company that specialise in renewable energy technology specifically to manufacture a vertical axis wind turbine designed by 4Navitas. On 3 June 2016, Angelfish extended the Loan of to 4 Navitas by a further £350,000 secured over a floating charge over the assets of 4Navitas and a further amount of £70,000 was advanced on 5 October 2016 to enable 4Navitas to strengthen and consolidate its supplier partner chain. In addition to the loans, the Company also entered into detailed discussions with 4Navitas to establish a joint venture to acquire wind turbines supplied to end users by 4Navitas. These discussions commenced in July 2016 and continued until April 2017 when the Directors concluded that 4Navitas was unable to provide the necessary information for satisfactory completion of due diligence and so terminated the negotiations.

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

### STRATEGIC REPORT (continued)

---

In undertaking these discussions, the Company incurred professional fees and expenses which as at 31 December 2016 amounted to £119,193, and have been charged to the period's income statement. The Directors are in negotiations to recover these costs and in the event of a successful outcome, the recovered costs will be recorded in the period they are received.

In order to provide the additional funds to enable Angelfish to pursue its investment strategy the Company raised further funds by issue of Cumulative Redeemable Preference Shares (the "Preference Shares"). These Preference Shares carry a preferential dividend rate of 7.1% and are repayable in March 2021. During the period the Company issued 1,601,546 Preference Shares raising net proceeds of £1,275,034. During the period the Company charged £170,369 and £152,398 in its comprehensive income statement for amortised preference share issue costs and fair value adjustment and preference dividends payable respectively. On 26 September 2016 at a general meeting of ordinary shareholders and the class meeting of preference shareholders of the Company a resolution was passed to approve that the balance standing to the credit of the share premium account of the Company as at 30 June 2016 be cancelled in order to provide cover for distributions to be made in future (including in particular, dividends on the Preference Shares), and to create part of the distributable reserves that will be required for the eventual redemption of the Preference Shares. This was confirmed at the final court hearing which took place on 26 October 2016. The Capital Reduction created additional reserves of approximately £1,529,000, which would be distributable.

The Company's risks and uncertainties can be grouped into four categories; strategic, financial, operational and compliance. In so doing the Company continually seeks suitable investments not specifically in the UK that will provide an adequate return in the short to medium term (strategic). The Company can, but is not limited to, raising funds through its ordinary and preference shares whilst ensuring the cost of capital is attractive to investors but can be maintained by the Company (financial). The Company operates at a low cost base but ensures that it rewards the directors appropriately and support its advisor costs so it can operate effectively in order to achieve its strategic goals (financial). The Company must also retain suitably experienced directors and advisors to maintain its listing on the NEX Exchange Growth Market and comply with all its regulatory obligations (compliance).

KPIs provide an illustration of management's ability to successfully deliver against the Company's strategic objectives. The Board periodically reviews the KPIs of the Company taking into account the strategic objectives and the challenges facing implementation of such. The measures reflect the Company's development focused strategy, the importance of a positive cash position and our underlying commitment to ensuring safe operations. These KPI's can be categorised into operational and financial. These include, but are not limited to, adopting an agreed risk based strategy and monitoring its successful implementation on a regular basis (operational); return on investment both income and capital, control of overheads and costs, current and forecast Company cash balances and availability of future funding being sufficient to support the needs of the business and service the Company's current debt (financial).

In measuring these KPIs, the Company's investment balance has been fully impaired due to the uncertainty in realising the value of OME. However, the additional funding due to the issue of preference shares in the period has led to an increase in the company's cash balance from £118,957 as at 30 June 2015 to £726,444 as at 31 December 2016. Furthermore the company's net assets have increased from £659,006 to £1,263,002 boosted by the capital reduction in the period.

The directors of Angelfish Investments plc will continue to appraise the merits and added value of its investment in OME and at the same time we will also explore and consider other investment opportunities which are in accordance with the Company's stated investment strategy.

**Andrew Flitcroft**  
**Director**  
**On Behalf of the Board**  
**Dated: 31 May 2017**

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

### DIRECTORS' REPORT

---

The directors present their report and financial statements of the Company for the period ended 31 December 2016.

The Company is incorporated and domiciled in England and Wales. The Company's ordinary shares are quoted on the NEX Exchange Growth Market.

#### Future developments

The Company will continue to work with OME and explore and review other suitable investment opportunities in line with the Company's investment strategy.

#### Going concern

The Company's business activities, together with factors likely to affect its future operations, financial position and liquidity position have been considered by the directors of the Company. The Directors, having made due and careful enquiry, are of the opinion that the Company has adequate working capital to execute its operations over the next 12 months. The Directors, therefore, have made an informed judgement, at the time of approving financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. As a result, the Directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Directors

The following directors have held office since 1 July 2015:

Andrew J A Flitcroft  
Richard I Walker

#### Directors' interests

The interests of the directors in the shares of the Company are as follows:

	Ordinary Shares	
	At 31 Dec 2016	At 30 June 2015
Andrew Flitcroft	4,077,844	4,077,844

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

### DIRECTORS' REPORT (continued)

---

#### Substantial shareholders

The following shareholders hold more than 3% of the total issued shares of 710,082,349 of Angelfish Investments plc

	31 Dec 2016	30 June 2015
Valley Holdings Limited	14.08%	-
Intrinsic Business Solutions Ltd	5.6%	-
Trustees SVS SIPP – GE Robshaw	3.20%	-
Trustees SVS SIPP – A P Ward	3.06%	-
SVS Securities plc	-	9.99%
St Gallen Capital Limited	-	39.09%

#### Payment of trade payables

It is the current policy to establish payment terms with suppliers when agreeing terms of supply, to ensure that suppliers are made aware of the terms of payment, and to adhere to those terms.

#### Auditors

In accordance with section 489 of the Companies Act 2006, a resolution proposing that Crowe Clark Whitehill LLP be reappointed as auditors to the company will be put to the Annual General Meeting.

#### Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year which 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 year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records, which 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.

#### Statement of disclosure to auditor

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Andrew Flitcroft**  
**Director**  
**On behalf of the Board**  
**Dated: 31 May 2017**

# ANGELFISH INVESTMENTS plc

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ANGELFISH INVESTMENTS plc

---

We have audited the financial statements of Angelfish Investments plc for the period ended 31 December 2016 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 numbered 1 to 25.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 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.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the period then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and Strategic report have been prepared in accordance with applicable legal requirements.

# ANGELFISH INVESTMENTS plc

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ANGELFISH INVESTMENTS plc (continued)

---

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

In 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 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.

### Stacy Eden (Senior Statutory Auditor)

for and on behalf of  
**Crowe Clark Whitehill LLP**

Statutory Auditor

St. Bride's House  
10 Salisbury Square  
London EC4Y 8EH  
**Dated: 31 May 2017**

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS

### STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2016

	Notes	Period ended 31 Dec 2016 £	Year ended June 2015 £
Revenue		-	-
Cost of sales		-	-
<b>Gross profit/(loss)</b>		-	-
Other operating income	4	9,000	6,000
Administrative expenses		(121,289)	(120,350)
<b>Operating loss excluding investment activities</b>		(112,289)	(114,350)
Investment write down	12	(198,540)	-
Costs of aborted transaction	12	(119,193)	-
Provision against loans receivable		(228,897)	-
Amortisation of issue costs on preference shares	14	(62,427)	(22,052)
Fair value adjustment on preference shares	14	(107,942)	-
Interest income	8	92,689	31,514
Interest payable at 7.1% on preference shares		(152,398)	(22,712)
<b>Loss before taxation</b>		(888,997)	(127,600)
Taxation expense	9	-	-
<b>Loss for the period</b>		(888,997)	(127,600)
Other comprehensive income		-	-
<b>Total comprehensive income attributable to equity holders of the company</b>		(888,997)	(127,600)
<b>Earnings per share for profit attributable to the equity shareholders</b>			
Basic and diluted earnings per ordinary share (p)	11	(0.125)	(0.018)

The accounting policies and notes set out on pages 13 to 27 form an integral part of these financial statements. There are no recognised gains and losses other than those passing through the income statement.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2016

	Notes	Dec 2016 £	June 2015 £
<b>Assets</b>			
<b>Non-current assets</b>			
Share Investment	4, 12	-	198,540
		-	198,540
<b>Current assets</b>			
Trade and other receivables	13	536,558	341,869
Cash and cash equivalents		726,444	118,597
		1,263,002	460,466
<b>Total assets</b>		1,263,002	659,006
<b>Equity and liabilities</b>			
<b>Equity</b>			
Issued share capital	17	71,008	71,008
Share premium	18	-	-
Retained earnings		775,299	134,832
	16	846,307	205,840
<b>Non current liabilities</b>			
Loans and borrowings	14	340,810	424,874
<b>Current liabilities</b>			
Trade and other payables	15	75,885	28,292
<b>Total liabilities</b>		416,695	453,166
<b>Total equity and liabilities</b>		1,263,002	659,006

Approved by the Board for issue on 31 May 2017

**Andrew Flitcroft**  
Director

The accounting policies and notes set out on pages 13 to 27 form an integral part of these financial statements.

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS

### STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2016

---

	Number Of shares	Nominal Value p	Share capital £	Retained earnings £	Total £
<b>Balance at 30 June 2014</b>	710,082,349	0.01	71,008	262,432	333,440
Loss for period	-	-	-	(127,600)	(127,600)
Other comprehensive income/(loss) for the year	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	(127,600)	(127,600)
<b>Balance at 30 June 2015</b>	710,082,349	0.01	71,008	134,832	205,840
Share Premium account on 10p preference shares cancelled (included in liabilities)	-	-	-	1,529,464	1,529,464
Loss for period	-	-	-	(888,997)	(888,997)
Other comprehensive income/(loss) for the year	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	(888,997)	(888,997)
<b>Balance at 31 December 2016</b>	710,082,349	0.01	71,008	775,299	846,307

---

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS

### STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

	2016 £	2015 £
<b>Cash flow from operating activities</b>		
(Loss) before taxation	(888,997)	(127,600)
Adjustments for:		
Revaluation of investment		
Fair value adjustment on preference shares	170,369	22,052
Investment and loan write down	427,437	-
Costs of aborted transaction	119,193	-
Preference dividends payable	152,398	22,712
Interest received	(92,689)	(31,514)
Increase in trade and other receivables	(368,947)	(272,620)
Increase in trade and other payables	22,114	26,190
<b>Net cash outflow from operating activities</b>	<u>(459,122)</u>	<u>(360,777)</u>
<b>Cash flows from investing activities</b>		
Preference dividends paid	(126,921)	(8,176)
Purchase of non-current assets	(119,193)	-
Interest received	38,049	-
Interest paid	-	(2)
<b>Net cash outflow from investing activities</b>	<u>(208,065)</u>	<u>(8,178)</u>
<b>Cash flow from financing activities</b>		
Proceeds from issue of shares	1,275,034	347,472
<b>Net cash inflow from financing activities</b>	<u>1,275,034</u>	<u>347,472</u>
<b>Net increase/(decrease) in cash in the year</b>	607,847	(21,483)
<b>Cash and cash equivalents at the beginning of the year</b>	118,597	140,080
<b>Cash and cash equivalents at the end of the year</b>	<u>726,444</u>	<u>118,597</u>

The accounting policies and notes set out on pages 13 to 27 form an integral part of these financial statements.

### Notes to the financial information

#### 1. General information

The principal activity of Angelfish Investments Plc is that of an investment company.

The company is a public limited company incorporated and domiciled in the United Kingdom, having a registered office at Kings Court, Railway Street, Altrincham, Cheshire, WA14 2RD. The registered number of the company is 06400833

The Company changed its year end from 30 June 2016 to the 31 December 2016 in order that the Company could adequately allocate resources to the corporate transaction referred to in Note 25. These financial statements are therefore for the eighteen month period ended 31 December 2016.

#### 2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards IFRS as developed and published by the International Accounting Standards Board (IASB) as adopted by the European Union EU, IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS.

Standards, amendments and interpretations to existing standards that have been issued and are effective at the balance sheet date have been applied in the financial statements.

The financial information has been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of certain financial assets at fair value through the income statement.

The preparation of financial information in conformity with IFRS requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial information are disclosed in the summary of significant accounting policies below.

The Company's business activities, together with factors likely to affect its future operations, financial position and liquidity position have been considered by the directors of the Company. The Directors, having made due and careful enquiry, are of the opinion that the Company has adequate working capital to execute its operations over the next 12 months. The Directors, therefore, have made an informed judgement, at the time of approving financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. As a result, the Directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

#### 3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

### Trade and other receivables (continued)

The amount of any provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within "administrative expenses". When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against "administrative expenses" in the income statement.

### Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash.

### Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### Investments

The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable. If any such indication of impairment exists, the Company makes an estimate of the recoverable amount. If the recoverable amount of the cash-generating unit is less than the value of the investment, the investment is considered to be impaired and is written down to its recoverable amount. An impairment loss is recognised immediately in the profit and loss account.

Gains and losses on investments disposed of or identified are included in the net profit or loss for the period.

### Fair Value of Assets and Liabilities

The Company measures all assets and liabilities at amortised cost or fair value.

### Foreign currency translation

#### (a) Functional and presentation currency

The financial information is presented in pounds sterling, which is the company's functional and presentation currency.

#### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

### Segmental reporting

A business segment is a group of assets or operations engaged in providing services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing services within a particular economic environment that is subject to different risks and returns from other segments in other economic environments.

### Expenses

All expenses are accounted for on an accruals basis.

### Revenue

Revenue represents the provision of services to customers exclusive of value added tax. Revenue is recognised at the point at which the service is provided.

### Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

### **Current and deferred income tax (continued)**

which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

### **Financial liabilities**

Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Discretionary dividends thereon are recognised as distributions within equity upon approval by the Company's shareholders.

Preference share capital is classified as a financial liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Non-discretionary dividends thereon are recognised as interest expense in the income statement as accrued.

Preference share capital and premium is included at fair value. Costs associated with preference share funds raised are amortised in the Income Statement over the remaining life of the Preference shares.

### **Capital**

The objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a capital structure that optimises the cost of capital. In order to maintain or adjust 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.

Capital comprises all components of equity; share capital, share premium, and retained earnings.

### **Equity Settled share option plan**

The Company has applied the requirements of IFRS2 Share-based payments in accordance with current provisions. The company issues equity-settled share based payments to certain employees, which are measured at fair value at the date of grant. The fair value determined at the date of grant is expensed on a straight line basis over the vesting period, based on the company's estimate of shares that will eventually vest. The fair value is determined by use of the share based payments intrinsic value. Management do not believe the fair value can be measured reliably by use of an option pricing model, based on the fact that the company has only relatively recently obtained a listing and no reliable historical data is available.

### **Future changes in accounting policies - standards issued but not yet effective**

New standards and interpretations not yet adopted:

At the date of approval of the Historical Financial Information, there are a number of new standards and amendments to standards and interpretations that have been issued but are not yet effective and, in some cases, have not yet been adopted by the EU.

The Directors do not consider that the above standards and interpretations will have a material effect on the presentation of the financial statements in the period of initial application or subsequently, except that IFRS9 will impact both the measurement and disclosures of financial instruments, IFRS 15 may have an impact on revenue recognition and related disclosures, and IFRS 16 may impact the treatment of operating leases and its presentation. At this point, it is not practicable for the Directors to provide a reasonable estimate of the effect of IFRS 9, IFRS 15 and IFRS 16 as their detailed review of these standards is still ongoing.

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

### **Key sources of estimation and uncertainty**

In the application of the company's accounting policies, which are described in note 3, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

### **Allowance for trade and other receivables**

Management reviews its loans and receivables for objective evidence of impairment at least quarterly. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

The allowance policy for doubtful debts of the company is based on the ageing analysis and management's ongoing evaluation of the recoverability of the outstanding receivables. Once debtors have been identified as having evidence of impairment, it is regularly reviewed and appropriate impairment provision applied.

### **Impairment of investments**

The recoverable amounts of cash generating units and individual assets will be determined based on the higher of value-in-use calculations and fair value less costs to sell. These calculations will require the use of estimate and assumptions. It is reasonably possible that assumptions may change which may impact the directors' estimates and may then require a material adjustment to the carrying value of investments.

The directors' review and test the carrying value of investments when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets will be grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimate will be prepared of expected future cash flows for each group of assets.

Expected future cash flows used to determine the value in use of the investments will be inherently uncertain and could materially change over time.

### **Fair value adjustment to preference shares to increase borrowings to redemption value**

The 10p preference shares are redeemable on 31 March 2021 at £1 per preference share. The directors have spread the fair value uplift from the initial nominal value of 10p following cancelling of the 90p share premium to £1 over the life of the preference shares.

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

### 4. Segmental analysis

Based on risks and returns, the directors consider that the primary reporting format is by business segment. The directors consider that there is only one business segment, being the commission earned through signed up members gained by advertising and promoting the company's website. Therefore, the disclosures for the primary segment have already been given in this financial information.

#### Geographical segment

	2016 £	2015 £
<b>Revenue from services:</b>		
UK	9,000	6,000
Other European	-	-
Rest of the world	-	-
Total	9,000	6,000

	2016 £	2015 £
<b>Balance sheet – Net book value of segment assets</b>		
UK	-	198,540
Other European	-	-
Rest of the world	-	-
Total	-	198,540

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

### 5. Expenses

The following material expenses are included in administrative expenses:

	2016 £	2015 £
Director	18,000	12,000
Hotel and travel	4,734	2,337
Professional fees	58,903	43,265
Consultancy fees	8,100	19,710
Salaries	15,173	31,163

### 6. Loss before tax

Loss before tax, all of which arises from the company's principal activities, is stated after charging:

	2016 £	2015 £
Fees payable to the Company's auditor for :		
- Audit of the Company	10,000	3,000
- Other services	11,000	500

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

### 7. Personnel costs

Personnel costs are made up of director's emoluments and payroll costs for one employee.

<b>The aggregate remuneration comprised</b>	2016 £	2015 £
Wages and salaries	14,742	30,612
Social security costs	431	551
	<hr/>	<hr/>
	15,173	31,163
	<hr/>	<hr/>
	2016 £	2015 £
<b>Directors' emoluments</b>		
Emoluments	18,000	12,000

The directors are considered the only key management personnel.

### 8. Interest Income

	2016 £	2015 £
Bank interest	1,531	168
Loan interest receivable	91,158	31,346
Total	<hr/>	<hr/>
	92,689	31,514

### 9. Taxation expense

The taxation provision for the period is different to the standard rate of corporation tax in the UK of 20%. The differences are explained below:

	2016 £	2015 £
(Loss) before tax	(888,997)	(127,600)
Taxation at the UK corporation tax rate of 20% (2015: 20%)	(177,799)	(25,520)
Effects of:		
Loss during the year carried forward	177,799	25,520
Tax expense	<hr/>	<hr/>
	-	-

No deferred tax asset has been provided in respect of tax losses as their crystallisation is not certain. At the balance sheet date there are approximately £1,380,433 (2015: £1,187,000) of losses carried forward.

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

### 10. Dividends

No ordinary dividends have been proposed by the company for the period ended 31 December 2016 or the prior period.

### 11. Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year.

The calculations of diluted earnings per share are based on the basic earnings per share adjusted to allow for the issue of shares on the assumed conversion of all dilutive options.

Reconciliation of the earnings and weighted average number of shares in the calculations are set out below.

	2016			2015		
	Earnings £	Weighted average number of shares	Per share amount (pence)	Earnings £	Weighted average number of shares	Per share amount (pence)
Basic and diluted earnings per share	(888,997)	710,082,349	(0.125)	(127,600)	710,082,349	(0.018)

---

In the current period 160,154,600 warrants issued to preference shareholders (2015: 38,562,318 warrants) have been included in the above.

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

### 12. Investments - unquoted equity investments

	Total
	£
<b>Cost / Valuation</b>	
At 30 June 2015	198,540
Additions in the period	119,193
<b>At 31 December 2016</b>	<u>317,733</u>
<b>Impairment</b>	
At 30 June 2015	-
Charge in the period	317,733
<b>At 31 December 2016</b>	<u>317,733</u>
<b>Net book amount</b>	
<b>At 31 December 2016</b>	<u>-</u>
<b>At 30 June 2015</b>	<u>198,540</u>

Investments are regarded as “financial assets at fair value” and are carried at fair value. The fair value of investments is considered by the directors to equate to the value of initial outlay. The cost of initial outlay is considered to be the best approximate of the fair value of assets based on Directors’ knowledge and forecasted future cash flow expected to be generated by the assets capitalised.

The investment of £198,540 represents an investment in convertible loan stock held in One Media Enterprises Limited ((a company incorporated in England and Wales with company registration number 08334965) which if converted at the discretion of Angelfish Investments plc would convert into 29.9% of the issued share capital of One Media Enterprises Limited.

During the period the Company incurred professional fees and costs of £119,193 relating to the detailed discussions with 4Navitas to establish a joint venture. These discussions were terminated in April 2017 and therefore these costs have been impaired in the results to 31 December 2016.

There are no financial assets that are past due at the end of reporting date but not impaired.

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

### 13. Trade and other receivables

	2016 £	2015 £
Trade receivables	-	50,000
Prepayments	21,990	9,950
Short term loans receivable	496,140	267,361
Other receivables	18,429	14,557
	<u>536,558</u>	<u>341,869</u>

The short term loans receivable are in respect of working capital loans made available to 4Navitas (Green Energy Solutions) Limited ("4Navitas"). The loans are secured by a floating charge over the assets of 4Navitas, interest is payable at 12% per annum. This was repaid in full with interest post year end.

Other short term loans of £214,222; £11,175 and £3,500 are due from One Media Enterprises Limited; 11 Events Limited and Titania Ventures Limited respectively. These loans have been provided in full based on the ageing analysis and evaluation of the recoverability of the outstanding receivables.

### 14. Loans and Borrowings

	2016 £	2015 £
2,254,255 (2015: 652,709) preference shares at 10p	225,425	65,271
Share premium on preference shares	2,028,830	587,438
Total preference shares	<u>2,254,255</u>	<u>652,709</u>
Less issue costs	(576,399)	(249,888)
Total preference share liability	<u>1,677,856</u>	<u>402,821</u>
Amortisation of issue costs over life of preference shares	129,992	22,053
Fair value adjustment to preference shares to increase borrowings to redemption value	62,427	-
Cancellation of share premium on preference shares	<u>(1,529,465)</u>	<u>-</u>
Redeemable preference shares	340,810	424,874

During the period 1,601,546 preference shares of 10p each were issued (2015: 534,709 preference shares of 10p each were issued) for a consideration of £1 each in order to augment the company's working capital and provide funding to continue the Company's investment strategy. Costs for the period of £326,511 were offset against the proceeds (2015: £187,237). The preference shares do not carry the right to vote.

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

### 14. Loans and Borrowings (continued)

The preference shares issued are cumulative redeemable preference shares that pay a preferential dividend of 7.1% per annum, payable quarterly on the issue price of £1. The preference shares will be redeemed on 31 March 2021 at their issue price of £1 each.

Warrants were issued to the subscribers of preference shares that entitle the investor to subscribe for ordinary shares an amount equal to up to 25% of the amount subscribed for their preference shares. The exercise price for each warrant for an ordinary share is the offer price on the date the subscription monies were received. The warrants are exercisable until 31 March 2021. The preference shares have no voting rights, unless the preferential dividend is in arrears for at least six months, and in certain other limited circumstances, but have preference for payment of dividends and repayment of capital.

### 15. Trade and other payables

	2016	2015
	£	£
Trade payables	27,295	7,357
Taxation and social security	-	1,755
Accrued expenses and other payables	48,590	19,180
	<u>75,885</u>	<u>28,292</u>

### 16. Reconciliation of movements in equity

	£
At 30 June 2015	<u>205,840</u>
Preference share premium reduction (included in liabilities)	1,529,464
Loss for the period ended 31 December 2016	(888,997)
<b>At 31 December 2016</b>	<u><b>846,307</b></u>

On 26 September 2016 at a general meeting of ordinary shareholders and the class meeting of preference shareholders of the Company a resolution was passed to approve that the balance standing to the credit of the share premium account of the Company as at 30 June 2016 be cancelled in order to provide cover for distributions to be made in future (including in particular, dividends on the Preference Shares), and to create part of the distributable reserves that will be required for the eventual redemption of the Preference Shares. This was confirmed at the final court hearing which took place on 26 October 2016. The Capital Reduction created additional reserves of approximately £1,529,000, which would be distributable.

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

### 17. Share capital

	2016 £	2015 £
<b>Allotted, called up and fully paid</b>		
710,082,349 ordinary shares of 0.01p each	71,008	71,008

### 18. Related party transactions

During the period the company purchased services from FS Business Limited, a company in which A Flitcroft is a Director, to the sum of £3,100 (2015: £18,600). At the period end £nil (2015: £3,720) remained outstanding.

During the period an amount receivable of £3,500 due from Titania Internet Ventures plc was written off, a company in which R Walker is a director. As at 30 June 2015 an amount of £3,500 was disclosed in Other Debtors.

During the period Mr Walker, a director of the Company, invoiced consultancy fees of £27,559 (2015: £nil)

During the year commissions on the issue of preference shares of £3,000 (2015: £4,219) were paid to SVS Securities plc, a company in which A Flitcroft, a director of the Company, is a director.

### 19. Share options and warrants

The company has a share option scheme under which options to subscribe for the company's shares are granted to the directors and other persons. During the year nil (2015: nil) share options were issued. The options are exercisable at 0.35p per share for up to 10 years from the date of grant and the options vest and are exercisable in equal tranches from 1 February 2015, 1 February 2016 and 1 February 2017.

Warrants have been issued to the Preference Shareholders. The Warrants entitle the Investor in Preference Shares to subscribe for Ordinary Shares an amount equal to up to 25% of the amount subscribed by the Investor for their Preference Shares. The exercise price for each Warrant is the offer market price for an Ordinary Share (as derived from the NEX Exchange Growth Market) on the date when subscription monies from the issue of the relevant Preference Shares are received by the Company. In each case, the Warrants will be exercisable until 31 March 2021. During the year a total of 160,154,600 (2015: 38,562,318) warrants were issued which are exercisable until 31 March 2021 at the following price per share:

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

### 19. Share options and warrants (continued)

		<i>no of</i>	
	exercise price of	0.4 p	16,074,875
	exercise price of	0.35 p	24,221,643
	exercise price of	0.25 p	<u>5,640,800</u>
Total warrants issued as at 30 June 2015			<u>45,937,318</u>
	exercise price of	0.4 p	-
	exercise price of	0.35 p	-
	exercise price of	0.25 p	<u>160,154,600</u>
Warrants issued during the period to 31 December 2016			<u>160,154,600</u>
	exercise price of	0.4 p	16,074,875
	exercise price of	0.35 p	24,221,643
	exercise price of	0.25 p	<u>165,795,400</u>
Total warrants in issue as at 31 December 2016			<u>206,091,918</u>

### 20. Financial risk management

The Company finances its operations through a mixture of equity, preference shares and retained earnings. Finance requirements are reviewed by the Board when funds are required for investments and loan funding.

The Company's policy is to maintain a strong financial position to sustain future development of the business. There were no changes to the Company's capital management approach during the period.

The Company's treasury functions are responsible for managing fund requirements and investments which include banking, cash flow management, interest and foreign exchange exposure to ensure adequate liquidity at all times to meet cash requirements.

The Company's principal financial instruments are cash, deposits, loans and investments and these instruments are only for the purpose of meeting its requirement for operations.

The Company's main financial risks are foreign currency risk, liquidity risk, interest rate risk and credit risks. Set out below are policies that are used to manage such risks:

#### Foreign currency risk

The Company reports in pound sterling although some of its loans and investments have been provided in US dollars. The Company do not at present hedge against US dollar to sterling exchange rate fluctuations, however, the Board continually assess whether this is an appropriate policy and review on a regular basis.

#### Liquidity risk

The Company ensures it has sufficient liquidity to meet its expenditure and investment requirements. The Company has no outstanding loan obligations at the period end.

#### Interest rate risk

During the period the Company's surplus funds were placed in deposits at floating rates. The Company's policy is to place deposits only with well-established banks or financial institutions that offer competitive interest rates.

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

### 20. Financial risk management (continued)

#### Credit risk

Deposits, as a general rule, are placed with banks and financial institutions that have ratings of not less than AA or equivalent, which are verified before placing the deposits. The Board will continue to assess the strategies for managing credit risk and is satisfied with the existing policies.

Investments and loans are made to companies which the directors consider to be commensurate with the potential gains receivable. At the period end, the Company had a bad debt risk with one or more of its investments. The maximum financial risk exposure relating to the financial assets is the carrying value of such financial assets as on the period end date. At the balance sheet date the carrying value of these financial assets was £nil (2015: £198,540)

#### Capital management

The objective of the Company's capital management is to ensure that there is sufficient liquidity within the Company to carry out the committed and forecast investment and expenditure. The Company monitors the long-term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility. The Company's capital consists of ordinary and preference share capital only. The Board manages the structure of its capital and makes necessary adjustments to accommodate the changes in the economic conditions. To maintain or adjust the capital structure, the Board may issue new shares for cash. No significant changes were made in the objectives, policies or processes during the period ended 31 December 2016.

#### Maturity of non-current financial liabilities

The maturity of non-current financial liabilities, which consist of redemption costs of the Company's 2021 Cumulate 7.1% dividend bearing redeemable preference shares as at 31 December 2016 and 30 June 2015 are as follows:

	2016 £	2015 £
In more than 2 years but not less than 5 years	2,254,255	-
In more than 5 years	-	652,709

Book values and fair values of the Company's financial assets and liabilities are as follows:

#### Financial assets

Financial assets at fair value through profit and loss	Book Value 2016 £	Fair value 2016 £	Book value 2015 £	Fair value 2015 £
Share investment	-	-	198,540	198,540
Financial assets - loans and receivables				
Cash and short-term deposits	726,444	726,444	118,597	118,597
Trade and other receivables	536,558	536,558	341,869	341,869
	<u>1,263,002</u>	<u>1,263,002</u>	<u>659,006</u>	<u>659,006</u>

# ANGELFISH INVESTMENTS plc

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

---

### 20. Financial risk management (continued)

#### Financial Liabilities

Financial liabilities measured at amortised cost	Book Value 2016 £	Fair value 2016 £	Book value 2015 £	Fair value 2015 £
Loan and borrowings	340,810	340,810	424,874	424,874
Trade and other payables	75,885	75,885	28,292	28,292
	<u>416,695</u>	<u>416,695</u>	<u>453,166</u>	<u>453,166</u>

All of the above financial assets and liabilities are current at the period end dates, other than the Share investments and Loan and borrowings which are non-current.

#### 21. Operating lease commitments

There were no operating lease commitments as at 31 December 2016 (2015: £500).

#### 22. Capital commitments

There were no capital commitments as at 31 December 2016 (2015: £nil).

#### 23. Contingent liabilities

There were no contingent liabilities as at 31 December 2016 (2015: £nil).

#### 24. Proposed corporate transaction and post balance sheet events

The Company terminated the negotiations regarding a joint venture agreement with 4 Navitas (Green Energy Solutions) Limited in April 2017. In undertaking these discussions, the Company incurred professional fees and expenses which as at 31 December 2016 amounted to £119,193. These costs have been charged to the Income Statement for the period ended 31 December 2016. The Directors are in negotiations to recover these costs and such recovered costs will be recorded in the period they are received.