TEATHERS FINANCIAL PLC

(Formerly C A SPERATI PLC)

Annual Report and financial statements for the year ended 31 October 2014

Company No. 00092343 (England and Wales)

TEATHERS FINANCIAL PLC

Contents

TEATHERS FINANCIAL PLC

Company information

For the year ended 31 October 2014

Directors:	Jason Drummond (Executive Chairman) Nilesh Jagatia (Finance Director) Oliver Fattal (Non-Executive Director)
Secretary:	Curzon Corporate Secretaries Limited Ashford House Grenadier Road Exeter EX1 3LH
Company Number:	00092343 (England and Wales)
Registered Office:	The Plaza 535 Kings Road London SW10 0SZ
Independent Auditors:	Welbeck Associates Chartered Accountants & Registered Auditors 30 Percy Street London W1T 2DB
Principal Bankers:	Natwest Bank 13 Stratheden Parade Old Dover Road London SE3 7SY
Solicitors to the Company:	Ashfords LLP Tower Wharf Cheese Lane Bristol BS2 0JJ
Nominated adviser and Joint broker:	Beaumont Cornish Limited 2nd Floor, Bowman House 29 Wilson Street London EC2M 2SJ
Joint Broker:	Peterhouse Corporate Finance Limited 3rd Floor, New Liverpool House, 15 – 17 Eldon Street London EC2M 7LD
Registrar:	Share Registrars Ltd Suite E, First Floor 9 Lion & Lamb Yard Farnham, Surrey GU9 7LL
Company Website:	www.teathers.com

Chairman's statement

For the year ended 31 October 2014

The Directors are pleased to advise that the financial year ended 31 October 2014 has been an extraordinary year for the Company that included the cancellation of the listing of the Company's ordinary shares on the Premium Segment of the Official List and to trading on the Main Market for Officially Listed securities operated by the London Stock Exchange and the Admission of the Company's ordinary shares to trading on AIM, a market operated by the London Stock Exchange plc.

During this financial year the Company disposed of its operating business, being the sale and distribution of buttons, buckles and trimmings, and adopted an investing policy as required under the AIM Rules and as set out in full on page 6 of the Report and Accounts.

The investing policy is to invest in AIM quoted companies either on flotation, through secondary offerings or by purchasing shares in the market and unquoted companies, joint ventures or projects which the Board believes will be seeking a quotation on AIM within 12 to 18 months of such investment. The Directors intend to focus primarily on AIM traded companies, which they believe, have good liquidity and are undervalued hence providing an opportunity for them to create Shareholder value. Although the Board will consider investing in companies of all sectors they intend to focus on sectors which have market appeal from time to time.

During the financial year ended 31 October 2014 the Company raised a total of £650,000 (before expenses) through equity placings primarily to assist the Company in the implementation of its Investing Policy and made an investment of £100,000 in Kentucky Oil and Gas plc through a convertible loan which, post year end, it converted into 2,222,222 ordinary shares in Kentucky Oil and Gas plc, representing approximately 2.69 per cent of the issued share capital of Kentucky Oil and Gas plc. Post the year end the Company also changed its name from C A Sperati Plc to Teathers Financial Plc, raised a further £640,000 (before expenses) through equity placings and purchased and subsequently sold 379,371 ordinary shares in quoted TechFinancials plc achieving a 21% return on investment.

Teathers has also recently developed a proprietary crowd equity service and mobile app, which it launched at the UK Investor Show 2015, and which will help the Company to identify market fundraisings, in line with its Investing Policy, of which it may otherwise not be aware.

There were no director changes during the financial year under review.

Outlook

The Board now look forward to creating further shareholder value through the implementation of our Investing Policy and by focussing on our crowd equity service and mobile app that enables private investors to participate in IPOs and quoted company placings on the same terms as large institutional investors.

Jason Drummond
Executive Chairman
29 April 2015

Directors

Jason Drummond, Executive Chairman
Jason Drummond founded Virtual Internet plc (L.VET), an online intellectual property protection and web hosting Company, in 1996. Virtual Internet was admitted to AIM in January 1999 and subsequently combined a £27 million fundraising with a move to the Official List of the London Stock Exchange in March 2000. Jason is a high profile investor and founder of a number of successful technology companies including Coms plc (L.COMS) and FAIRFX plc (L.FFX).

Nilesh Jagatia, Finance Director
Nilesh currently serves as Finance Director of AIM quoted Inspirit Energy Holdings plc (L.INSP), Limitless Earth plc (L.LME) and Clear Leisure plc (L.CLP) and was Finance Director of a Media quoted company for a period of 5 years until July 2012. Nilesh has over 20 years' experience including senior financial roles in divisions of both Universal Music Group and Sanctuary Group Plc. He served as a Finance Director for an independent record label that expanded into the US. Nilesh is a qualified accountant and holds a degree in finance.

Oliver Fattal, Non-Executive Director
Oliver Fattal has been a Director and Interim Chairman of CA Sperati/Teathers Financial PLC. He acted in the revival process of the Company by relisting the company to AIM from the main market and bringing onto the board Jason Drummond as Chairman and Nilesh Jagatia as Financial Director. In 2011, Oliver acquired a 14% stake in C A Sperati plc. Oliver was appointed to the Board of CA Sperati plc as CEO and has been a director of the Company since then. Oliver is also a Co-founder in Fattal Capital Ltd, which is a commercial property investment company which holds a range of investment properties internationally. Oliver has several other interests including Green technology and small business Venture Capitalist management.

Strategic Report

For the year ended 31 October 2014

Review of the business
Comprehensive review of the business is given in the Chairman's Statement on page 1.

Principal risks and uncertainties
Set out below are the principal risks which we believe could materially affect the Company's ability to achieve its objectives since the change of direction set out in 2014. The risks are not listed in order of significance.

Reliance on its Directors
The Company's business, development and prospects are dependent upon the continued services and performance of its Directors. The experience and commercial relationships of the Directors help provide the Company with a competitive edge. The Directors believe that the loss of services of any of its Directors, for any reason, or failure to attract and retain necessary personnel in the future, could adversely impact the business, development, financial condition, results of operations and prospects of the Company.

Other directorships
Investors should note that none of the Directors is in any way limited (other than by their normal duties as company directors) by way of their involvement with the Company, from acting in the management or conduct of the affairs of any other company. Should any conflicts of interest be identified, they will be declared and dealt with appropriately.

Limited operating history as an Investing Company
The Company has just embarked in a new direction of investing in companies with very limited resources. As a result, there is no assurance that the Company will be successful or that it will meet the objectives of its Investing Policy. Any failure in implementing its Investing Policy or in managing its financial controls, reporting systems or procedures could have a material adverse effect on the Company's results of operations, financial condition and prospects.

Identifying a suitable target
The Company is dependent upon the ability of the Directors to identify suitable investment opportunities and to implement its Investing Policy. If the Directors are unable to identify further opportunities in line with the Company's Investing Policy for creating value, then the Company may not be able to invest its cash in a manner which accomplishes its objectives. There is no guarantee that the Company will be able to acquire further identified opportunities, or indeed complete the Investment, at an appropriate price, or at all, as a consequence of which resources may be expended fruitlessly on investigative work and due diligence.

Market conditions
Market conditions may have a negative impact on the Company's ability to execute investments in suitable entities which generate acceptable returns. There is no guarantee that the Company will be successful in sourcing suitable investments. The Company can give no assurance as to how long it will take it to invest any or all of its cash resources, if at all, and the longer the period the greater the likely impact on the Company's performance and financial condition.

Costs associated with potential investments
The Company expects to incur certain third party costs associated with the sourcing of suitable investments. The Company can give no assurance as to the level of such costs, and given that there can be no guarantee that negotiations to acquire any given investment will be successful, the greater the number of deals that do not reach completion, the greater the likely impact of such costs on the Company's performance, financial condition and business prospects.

Valuation error
The Company may miscalculate the realisable value of an investment in a project. A lack of reliable information, errors in assumptions or forecasts and/or inability to successfully implement an investment, among other factors, could all result in the project having a lower realisable value than anticipated. If the Company is not able to realise an investment at its anticipated levels of profitability, projected investment returns could be adversely affected.

Financing
Implementation of the Investing Policy may require significant capital investment. The Company's sources of financing currently are limited. The Company's ability to raise further funds will depend on the success of investments made.

The Company may not be successful in procuring the requisite funds on terms which are acceptable to it (or at all) and, if such funding is unavailable, the Company may be required to reduce the scope of its investments or anticipated expansion. Further, Shareholders' holdings of new share issues may be materially diluted if debt financing is not available.

General economic climate
The Company may acquire or make investments in companies and businesses that are susceptible to economic recessions or downturns. During periods of adverse economic conditions, these companies and businesses may experience decreased revenues, financial losses, difficulties in obtaining access to, and fulfilling commitments in respect of, financing and increased funding costs. Any of the foregoing could cause the value of the investment to decline. In addition, during periods of adverse economic conditions, the Company may have difficulty accessing financial markets, which could make it more difficult or impossible for the Company to obtain funding for additional investments and negatively affect the Company's net asset value and operating results. Accordingly, adverse economic conditions may have a material adverse effect on the business, financial condition, results of operations and prospects of the Company. Factors that may contribute to the general economic climate include industrial disruption, interest rates and the rate of inflation.

Due diligence process
The Company intends to conduct such due diligence as it deems reasonably practicable and appropriate, based on the facts and circumstances applicable to each potential project, before making an investment. The objective of the due diligence process will be to identify material issues which might affect an investment decision. When conducting due diligence and making an assessment regarding an investment, the Company will be required to rely on resources available to it, including, in the main, public information and, in some circumstances, third party investigations. As a result, there can be no assurance that the due diligence undertaken with respect to any potential project will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such project. Further, there can be no assurance as to the adequacy or accuracy of information provided during any due diligence exercise or that such information will be accurate and/or remain accurate in the period from conclusion of the due diligence exercise until the desired investment has been made. Due diligence may also be insufficient to reveal all of the past and future liabilities relating to the operations and activities of the target, including but not limited to liabilities relating to litigation, breach of environmental regulations or laws, governmental fines or penalties, pension deficits or contractual liabilities.

Ownership risks
Under the Investing Policy, the Company has the ability to enter into a variety of investment structures, including, but not limited to, joint ventures, acquisition of controlling interests or acquisition of minority interests. In the event the Company acquires a 100 per cent. interest in a particular entity, or makes a single investment in an entity, the resulting concentration of risk may result in a total or partial loss on its investment and have a material adverse effect on the Company's performance.

In the event that the Company acquires less than a 100 per cent interest in a particular entity, the remaining ownership interest will be held by third parties and the subsequent management and control of such an entity may entail risks associated with multiple owners and decision-makers. Any such investment also involves the risk that third party owners might become insolvent or fail to fund their share of any capital contribution which might be required. In addition, such third parties may have economic or other interests which are inconsistent with the Company's interests, or they may obstruct the Company's plans, or they may propose alternative plans. If such third parties are in a position to take or influence actions contrary to the Company's interests and plans, this may affect the ability of the Company to implement its strategies.

In addition, there is a risk of disputes between the Company and third parties who have an interest in the entity in question. Any litigation or arbitration resulting from any such disputes may increase the Company's expenses and distract the Directors from focusing their time on implementing the Investing Policy. The Company may also, in certain circumstances, be liable for the actions of such third parties.

Specific future risks relating to AIM companies and unquoted companies, joint ventures or projects considering a quotation on AIM within 12 to 18 months are as follows:

Early stage development

The Company may make investments in entities and assets at a relatively early stage of development. There can be no assurances that such companies or assets will successfully develop or that the technologies they have will be suitable for commercialisation. Such entities and assets may require the injection of further capital at a level that the Company, or any third party, is unable or unwilling to meet. Such an outcome may have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

Realisation and value of investments

The Company's investments may be difficult and take time to realise. It can take a period of years for the underlying value or quality of the businesses of smaller companies, such as those in which the Company invests, to be fully reflected in their market value and their market values are often also materially affected by general market sentiment, which can be negative for prolonged periods.

Liquidity and degree of risk associated with AIM traded companies

Investment in AIM traded companies and unquoted companies, joint ventures or projects which the Board believes will trade on AIM within 12 to 18 months of such investment, by its nature, involves a higher degree of risk than investments in companies listed on the Official List. In particular, small companies often have limited product lines, markets or financial resources and may be dependent for their management on a small number of key individuals. In addition, the market for securities in smaller companies is often less liquid than that for securities in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such securities. Proper information for determining their value or the risks to which they are exposed may also not be available. Investment returns will, therefore, be uncertain and involve a higher degree of risk than investment in a company on the Official List.

Investments in unquoted companies, joint ventures or projects which the Board anticipate will trade on AIM within 12 to 18 months of such investment may never admit to trading on AIM

As part of its Investing Policy the Board intends to make investments in unquoted companies, joint ventures or projects which the Board anticipate will commence trading on AIM within 12 to 18 months of such investment. There is no certainty or guarantee that such companies will ever be admitted to trading on AIM and in circumstances, where an application to trading on AIM is unsuccessful or never progresses, it may not be possible for the Board to realise such initial investment.

Investments in unquoted companies, joint ventures or projects are subject to a number of risks

The Company may invest in or acquire unquoted companies, joint ventures or projects which the Board anticipate to trade on AIM within 12 to 18 months of such investment which may, inter alia:

- be highly leveraged and subject to significant debt service obligations, stringent operational and financial covenants and risks of default under financing and contractual arrangements, which may adversely affect their financial condition;
- have limited operating histories and smaller market shares than larger businesses making them more vulnerable to changes in market conditions or the activities of competitors;
- have limited financial resources;
- be more dependent on a limited number of management and operational personnel, increasing the impact of the loss of any one or more individuals;
- prove illiquid in terms of the ability to realise value; and
- require additional capital.

All or any of these factors may have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

Competition

The Company may face competition from other entities for the same investments, many of which may have significantly greater financial resources than the Company. There is therefore no guarantee that even if the Company identifies a suitable investment it will be successful in completing such investment.

Strategic Report (Continued)

For the year ended 31 October 2014

Future outlook

The Chairman's Statement on page 1 gives information on the future outlook of the Company.

Key Performance Indicators (KPIs)

The key performance indicators currently used by the Company are investments made to-date and cash resources. The Company intends to establish other key performance indicators in due course once the Company has matured sufficiently. The Company does not use and does not at present intend to use non-financial key performance indicators.

	2014	2013
	£	£
Cash and cash equivalents	260,258	2,931
Net assets / (liabilities)	333,401	(287,769)

Review of strategy and business model

The Board of directors judge the Company's financial performance by reference to the internal budget which it establishes at the beginning of each financial year and the expected performance of its investments in the future.

The Company's strategy is to invest in AIM companies and unquoted companies, joint ventures or projects considering a quotation on AIM within 12 to 18 months.

Investing policy

To invest in AIM quoted companies either on flotation, through secondary offerings or by purchasing shares in the market and unquoted companies, joint ventures or projects which the Board believes will be seeking a quotation on AIM within 12 to 18 months of such investment. The Directors intend to focus primarily on AIM traded companies which they believe have good liquidity and are undervalued hence providing an opportunity for them to create Shareholder value. Although the Board will consider investing in companies of all sectors they intend to focus on sectors which have market appeal from time to time. It is the Board's opinion that currently such sectors include the technology sector and certain areas of natural resources with a specific emphasis on the oil and gas sector. Such investments are likely to be made in companies which have a permanent place of business in the UK. However the Company will not be limited by geography and companies operating anywhere in the world may be considered.

The Directors may consider it appropriate to take an equity interest in any proposed investment which may range from a minority position to 100 per cent. ownership. Proposed investments may be structured as an acquisition, joint venture or as an interest in a project.

The Company intends to be an involved and active investor. Accordingly, where necessary, the Company may seek participation in the management or with the board of directors of an entity in which the Company invests or, in the event that it is acquired, in the on-going enlarged entity. Where appropriate, the Board intends to add their expertise to the management of the business, and utilise their industry relationships and access to finance.

New investments will be held for the medium to longer term, although a shorter term disposal of any investments cannot be ruled out.

There will be no limit on the number of projects into which the Company may invest, and the Company's financial resources may be invested in a number of propositions or in just one investment, which may be deemed to be a reverse takeover pursuant to Rule 14 of the AIM Rules. Where the Company builds a portfolio of related investments it is possible that there may be cross-holdings between such investments. The Company does not currently intend to fund any investments with debt or other borrowings but may do so if appropriate. Investments may be made in all types of entities and there will be no investment restrictions.

The Company's primary objective is that of securing for the Shareholders the best possible value consistent with achieving, over time, both capital growth and income for Shareholders through developing profitability coupled with dividend payments.

Following on from adopting an Investing Policy, the Company will be required to make an acquisition or acquisitions which constitute a reverse takeover under the AIM Rules or otherwise implement its Investing Policy within 12 months of the General Meeting, failing which the Ordinary Shares would then be suspended from trading on AIM. If the Investing Policy has not been implemented within 18 months of the General Meeting the admission to trading on AIM of the Ordinary Shares would be cancelled and the Directors will convene a general meeting of the Shareholders to consider whether to continue seeking investment opportunities or to wind up the Company and distribute any surplus cash back to Shareholders.

The Directors believe that their broad collective business experience in the areas of acquisitions, accounting, corporate and financial management will assist them in the identification and evaluation of suitable opportunities and will enable the Company to achieve its investing objectives. In addition, to aid its investment process, the Board intends to develop a software application service, which will help identify market fundraisings of which the Directors would otherwise not be aware.

The Directors may undertake the initial project assessments themselves with additional independent technical advice as they judge may be required. The Company will not have a separate investment manager.

Environment

The Directors consider that the nature of the Company's activities is not inherently detrimental to the environment.

Social, community, and human rights

The Board recognises that the Company has a duty to be a good corporate citizen and to respect the laws, and where appropriate the customs and culture of the territories in which it operates. It contributes as far as is practicable to the local communities in which it operates and takes a responsible and positive approach to employment practices.

The Strategic Report was approved by the Board and signed on its behalf by:

Nilesh Jagatia
Finance Director
29 April 2015

Directors' Report

For the year ended 31 October 2014

The Directors' present their report and the audited financial statements of Teathers Financial Plc for the year ended 31 October 2014. On 5 February 2015 the Company changed its name from C A Sperati plc to Teathers Financial Plc.

Corporate details
Teathers Financial Plc is incorporated and registered in England and Wales number 00092343. The registered office is The Plaza, 535 Kings Road, London, SW10 0SZ.

Directors
The following Directors have held office since 1 November 2013:

Jason Drummond	Executive Chairman	
Oliver Fattal	Non-Executive Director	
Nilesh Jagatia	Finance Director	(Appointed on 17 December 2013)
Richard Woodbridge	Finance Director	(Resigned on 12 December 2013)

In accordance with the Company's Articles of Association Directors are required to retire by rotation.

Principal activities
The principal activity of the Company during the year changed from that of a buttons and trimmings merchant to an Investing Company, as defined under the AIM Rules for Companies. The Company's investing policy is to invest in AIM quoted companies either on flotation, through secondary offerings or by purchasing shares in the market and unquoted companies, joint ventures or projects which the Board believes will be seeking a quotation on AIM within 12 to 18 months of such investment.

Strategic Report
In accordance with section 414C(11) of the Companies Act 2006 the Company chooses to report the review of the business, the future outlook and the risks and uncertainties faced by the Company in the Strategic Report on page 4.

Dividends
There were no dividends paid or proposed by the Company in the current period (2013: £nil).

Going concern
The Directors have considered the applicability of the going concern basis in the preparation of these financial statements. This included the review of internal budgets and financial results which show, taking into account reasonably probable changes in financial performance, that the Company should be able to operate within the level of its current funding arrangements.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis of preparation for its financial statements.

Financial risk management
The financial risk management is discussed in Note 26 of the financial statements.

Creditors' payment policy
The Company's policy is to agree terms of payment with suppliers and abide by those terms subject to timely submission of acceptable invoices. Where prompt payment settlement discount is available it is the Company's policy to settle accounts whenever possible within the discount period. In order to manage their cash more effectively, where possible, the Company negotiates special terms with certain suppliers to delay payments. At the year end, the amounts owing to trade creditors represented an average of 40 days (2013 - 67 days).

Directors' interest in shares and debentures

Directors' interests in the shares of the Company, including family interests, were as follows:

Director	As at 31 October 2014 Ordinary Shares of 0.5p each	As at 31 October 2013* Ordinary Shares of 0.5p each
Jason Drummond	1,557,200	-
Nilesh Jagatia	-	-
Oliver Fattal	2,260,500	1,400,000

* or at the date of appointment where later

Substantial shareholdings

According to notifications received, the following persons held 3% or more of the Company's Issued Share Capital on 4 April 2015:

Shareholder	Number of Ordinary Shares of 0.5p each	Percentage of Issued Share Capital
Peel Hunt LLP	3,710,370	6.28%
Oliver Fattal	2,260,500	3.83%
Jonathan Rowland	1,851,600	3.13%

Post balance sheet events

On 3 December 2014 following approval by the shareholders, the Directors Jason Drummond, Nilesh Jagatia and Oliver Fattal were granted options over a total of 5,131,269 ordinary shares to be split equally between them.

Number of Options granted to Directors	Price	Exercise dates
1,446,261	4p	3 December 2015, being the first anniversary of grant until 3 December 2024, being the tenth anniversary of grant
264,162	3.00p*	3 December 2015, being the first anniversary of grant until 3 December 2024, being the tenth anniversary of grant
1,710,423	3.00p*	3 December 2016, being the second anniversary of grant until 3 December 2024, being the tenth anniversary of grant
1,710,423	3.00p*	3 December 2017, being the third anniversary of grant until 3 December 2024, being the tenth anniversary of grant

*being the average closing mid-market price of the Ordinary Shares traded on AIM for the preceding 30 business days before the day of grant.

Subsequent to the year end the following warrants were exercised:

- 17 December 2014 – 2,200,000 at 3p per share
- 24 March 2015 – 875,000 at 3 per share
- 26 March 2015 – 3,541,666 at 3 per share
- 30 March 2015 – 333,333 at 3 per share
- 1 April 2015 – 1,166,667 at 3per share
- 14 April 2015 – 2,246,667 of which 250,000 at 3 per share and the remaining 1,996,667 at 6p per share
- 20 April 2015 – 170,000 at 3p per share

On 6 March 2015 the Company issued 2,500,000 ordinary shares of 0.5p each at a price of 4p per share. In addition the Company issued 750,000 new ordinary shares to satisfy certain existing liabilities amounting to £30,000.

On 16 March 2015 the Company invested £100,000 in cash in TechFinancials Plc in consideration for 379,371 ordinary shares of US$0.0005 each representing approximately 0.56 per cent. of the issued share capital.

On 27 March 2015 the Company issued 12,500,000 ordinary shares of 0.5p each at a price of 4p per share. Furthermore each subscription share carried one warrant which entitled the holder to subscribe for one new ordinary share in the Company up to 2 April 2016 at a price of 6p per share.

On 30 March 2015 the Company issued 12,500,000 ordinary shares of 0.5p each at a price of 4p per share to Jonathan Rowland through Schweco Nominees Limited. Furthermore each subscription share carried one warrant which entitled the holder to subscribe for one new ordinary share in the Company up to 2 April 2016 at a price of 6p per share. The participation in the Subscription by Jonathan Rowland through Schweco Nominees Limited is a Related Party Transaction as defined in the AIM Rules for Companies by virtue of Jonathan Rowland being beneficially interested in more than 10 per cent. of the issued share capital of Teathers within 12 months of agreeing to participate in the Subscription.

On 2 October 2014 the Company made an investment of £100,000 in Kentucky Oil and Gas plc (KOG) by way of a convertible loan note. On 1 April 2015 the Company agreed with KOG to convert the loan note into 2,222,222 new ordinary shares in the capital of KOG at a price of 4.5 pence per share representing approximately 2.69% of the share capital of KOG.

On 27 April 2015 the Company disposed of its entire investment in TechFinancials Plc of 379,371 ordinary shares of USD$0.0005 each, for a total of £121,145 in cash, realising a 21.1 per cent profit on its original investment.

Directors' indemnity

The Company has not provided qualifying third-party indemnities for the benefit of its Directors.

Disclosure of information to the Auditors

The Directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Directors have confirmed that 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 it has been communicated to the Auditor.

Auditors

Welbeck Associates have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Annual General Meeting

The resolutions to be proposed at the forthcoming Annual General Meeting are set in the formal notice of the meeting.

Recommendation

The Board considers that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and it is unanimously recommended that shareholders support these proposals as the Board intends to do in respect of their own holdings.

The Directors' Report was approved by the Board and signed on its behalf by:

J Drummond
Executive Chairman
29 April 2015

Statement of Directors' Responsibilities in the preparation of the Financial statements

For the year ended 31 October 2014

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. Under that law the Directors are required to prepare the Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS Regulation and have also chosen to prepare the Company financial statements under IFRSs as adopted by the EU. 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 those financial statements, International Accounting Standard 1 requires the Directors to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements and accounting estimates that are reasonable and prudent
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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 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.

Disclosure of information

In the case of each of the persons who are acting as Directors of the Company at the date when this report was approved:-

- so far as each of the Directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of the which the Company's auditor is not aware; and
- each of the Directors has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information.

The Directors are also responsible for the maintenance and integrity of the investor information contained on the website. Legislation in the UK concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Publication of Accounts on the Company Website

Financial statements are published on the Company's website. The maintenance and integrity of the website is the responsibility of the Directors. The Director's responsibility also extends to the financial statements contained therein.

Corporate Governance Statement

For the year ended 31 October 2014

Compliance

The Directors recognise the value of complying with the Quoted Companies Alliance (“QCA”) guidelines. The Company seeks to apply certain provisions of the QCA guidelines where practicable and appropriate for a Company of its size.

The following statement describes how the company seeks to address certain of the principles of the QCA guidelines.

Board composition and responsibility

The Board comprises two Executive Directors and one Non-Executive Director who meet on a regular basis. The Board has determined that Oliver Fattal is independent in character and judgement and there are no relationships or circumstances which could materially affect or interfere with the exercise of his judgement. The Board is satisfied with the balance between Executive and Non-Executive Directors which allows it to exercise objectivity in decision making and proper control of the Company’s business. The Board considers its composition is appropriate in view of the size and requirements of the Company’s business and the need to maintain a practical balance between the Executives and the Non-Executive. Due to the structure of the Company it is considered that it is not appropriate to change the Board composition at the present.

All Directors are subject to election by shareholders at the first Annual General Meeting after their appointment, and are subject to re-election at least every three years. The Board’s primary objective is to focus on adding value to the assets of the Company by identifying and assessing business opportunities and ensuring that potential risks are identified, monitored and controlled. Matters reserved for Board decisions include strategic long-term objectives and capital structure of major transactions. The implementation of Board decisions and day to day operations of the Company are delegated to the executive directors.

Board meetings and attendance

Board meetings were held during the year. The Directors’ attendance record during the year are as follows:

Director	Attendance at Board Meetings
Jason Drummond	6
Oliver Fattal	6
Nilesh Jagatia	6
Richard Woodbridge*	-

* Richard Woodbridge resigned on 12 December 2013.

Audit committee

The audit committee, which comprises Nilesh Jagatia (Finance Director) and Oliver Fattal (Non-executive Director), has the primary responsibility for monitoring the quality of internal control and ensures that the financial performance of the Company is properly measured and reported on and reviews reports from the Company’s auditors relating to the Company’s accounting and internal controls. The committee is also responsible for making recommendations to the Board on the appointment of auditors and the audit fee and for ensuring that the financial performance of the Company is properly monitored and reported. The audit committee will meet not less than four times a year

Remuneration committee

The remuneration committee, which comprises Nilesh Jagatia (Finance Director) and Oliver Fattal (Non-Executive Director), is responsible for the review and recommendation of the scale and structure of remuneration for senior management, including any bonus arrangements or the award of share options with due regard to the interests of the Shareholders and the performance of the Company.

Company rules for appointment and replacement of Directors

The appointment and removal of directors was governed by the Company’s Memorandum and Articles of Association. New Articles of Association were adopted in December 2013 and the appointment and removal of Directors is now governed by these.

Internal controls

The Directors are responsible for ensuring that the Company maintains a system of internal control to provide them with reasonable assurance regarding the reliability of financial information used within the business and for publication and that the assets are safeguarded. There are inherent limitations in any system of internal control and accordingly even the most effective system can provide only reasonable, but not absolute, assurance with respect to the preparation of financial reporting and the safeguarding of assets.

The Company, in administering its business has put in place strict authorisation, approval and control levels within which senior management operates. These controls reflect the Company's organisational structure and business objectives. The control system includes clear lines of accountability and covers all areas of the organisation. The Board operates procedures which include an appropriate control environment through the definition of the above organisation structure and authority levels and the identification of the major business risks.

Internal financial reporting

The Directors are responsible for establishing and maintaining the Company's system of internal reporting and as such have put in place a framework of controls to ensure that the on-going financial performance is measured in a timely and correct manner and that risks are identified as early as is practicably possible. There is a comprehensive budgeting system and monthly management accounts are prepared which compare actual results against both the budget and the previous year. They are reviewed and approved by the Board, and revised forecasts are prepared on a regular basis.

Relations with shareholders

The Company reports to shareholders twice a year. The Company dispatches the notice of its Annual General Meeting, together with a description of the items of special business, at least 21 clear days before the meeting. Each substantially separate issue is the subject of a separate resolution and all shareholders have the opportunity to put questions to the Board at the Annual General Meeting. The members of the Audit and Remuneration Committees normally attend the Annual General Meeting and will answer questions which may be relevant to their work.

The Chairman advises the meeting of the details of proxy votes cast on each of the individual resolutions after they have been voted on in the meeting. The Board intend to maintain a good and continuing understanding of the objectives and views of the shareholders.

Report of the Remuneration Committee

for the year ended 31 October 2014

Statement of compliance

This report does not constitute a Directors' Remuneration Report in accordance with the Directors' Remuneration Regulations 2007 which do not apply to the Company as it is not fully listed. This report sets out the Company policy on Directors' remuneration, including emoluments, benefits and other share-based awards made to each Director.

Policy on Directors' remuneration

Remuneration packages are designed to motivate and retain the Directors to ensure the continued development of the Company and to reward them for enhancing value to shareholders. The main elements of the remuneration package for Executive Directors are basic salary or fees, performance-related bonuses, benefits and share option incentives.

Directors' remuneration

The remuneration of the Directors for the year ended 31 October 2014 is shown below:

	Salary	2014 Total	2013 Total
	£	£	£
Jason Drummond	54,851	54.851	-
Oliver Fattal	15,000	15,000	35,000
Nilesh Jagatia	30,648	30,648	-
Richard Woodbridge*	-	-	35,000
	100,499	**100,499**	**70,000**

** Richard Woodbridge resigned on 12 December 2013 and his remuneration is shown under discontinued operations.*

Directors' share options and warrants

It was the Board's intention to incentivise the Directors and on 3 December 2014 the Directors were granted options under the Company's unapproved share option scheme:

Option Holder	Option price per Ordinary Share	Number of Ordinary Shares under option
Jason Drummond	4p	482,087
Jason Drummond	3p	1,228,336
O Fattal	4p	482,087
O Fattal	3p	1,228,336
Nilesh Jagatia	4p	482,087
Nilesh Jagatia	3p	1,228,336

On 7 August 2014, the Company entered into a warrant agreement with Mr J Drummond which entitles him to subscribe for 932,200 ordinary shares on or before 7 August 2019 at an exercise price of 4 pence per ordinary share.

Independent Auditors' Report

to the members of Teathers Financial plc

We have audited the financial statements of Teathers Financial Plc for the year ended 31 October 2014, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and related notes. 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 and as applied in accordance in accordance with provisions of the Companies Act 2006.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's 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 auditor
As more fully explained in the Directors' Responsibilities Statement set out on page 11 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 October 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion given in the Strategic Report and Report of the Remuneration Committee for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
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 including the Strategic Report to be audited 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.

Jonathan Bradley-Hoare, FCA (Senior Statutory Auditor)
For and on behalf of
Welbeck Associates Chartered Accountants and Statutory Auditor
30 Percy Street, London, W1T 2DB
29 April 2015

TEATHERS FINANCIAL PLC

Statement of Comprehensive Income

for the year ended 31 October 2014

	Notes	2014 £	2013 (restated) £
Continuing operations			
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses	**6**	(351,085)	(153,623)
Operating loss		**(351,085)**	**(153,623)**
Finance costs	**10**	-	(7,000)
Loss on ordinary activities before taxation		**(351,085)**	**(160,623)**
Income tax credit	**11**	237	-
Loss for the year from continuing operations		**(350,848)**	**(160,623)**
Discontinued operations			
Profit/(loss) for the year from discontinued operations	**7**	172,292	(133,504)
Loss for the year attributable to owners of the company		**(178,556)**	**(294,127)**
Other comprehensive income			
Gains on property revaluation		22,128	-
		22,128	**-**
Total comprehensive loss for the year		**(156,428)**	**(294,127)**
(Loss)/earnings per ordinary share from continuing and discontinued operations attributable to the equity holders of the Company during the year	**12**	Pence	Pence
From continuing operations – Basic and fully diluted		(1.25)	(1.61)
From discontinued operations – Basic and fully diluted		0.62	(1.34)
From continuing and discontinued operations – Basic and fully diluted		(0.64)	(2.94)

The notes on pages 21 to 40 are an integral part of these financial statements.

TEATHERS FINANCIAL PLC

Statement of Financial Position

for the year ended 31 October 2014

	Notes	2014 £	2013 (restated) £	2012 (restated) £
Assets				
Non-current assets				
Property, plant and equipment	**14**	-	14,433	56,759
Total non-current assets		**-**	**14,433**	**56,759**
Current assets				
Trade and other receivables	**15**	95,164	63,087	50,216
Inventories	**16**	-	41,810	73,307
Assets held for sale	**17**	-	38,366	-
Investments	**18**	100,000	-	-
Cash and cash equivalents	**19**	260,258	2,931	42,222
Total current assets		**455,422**	**146,194**	**165,745**
Total assets		**455,422**	**160,627**	**222,504**
Equity attributable to owners of the company				
Share capital	**23**	171,043	50,000	50,000
Share premium	**23**	650,379	-	-
Revaluation reserve		-	22,128	22,128
Retained earnings	**24**	(488,021)	(359,897)	(65,770)
Total equity		**333,401**	**(287,769)**	**6,356**
Liabilities				
Non-current liabilities				
Deferred tax liabilities	**21**	-	237	237
Borrowings	**22**	-	12,000	-
Total non-current liabilities		**-**	**12,237**	**237**
Current liabilities				
Trade and other payables	**20**	122,021	381,159	215,911
Borrowings	**22**	-	55,000	-
Total current liabilities		**122,021**	**436,159**	**215,911**
Total liabilities		**122,021**	**448,396**	**216,148**
Total equity and liabilities		**455,422**	**160,627**	**222,504**

The notes on pages 21 to 40 are an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board on 29 April 2015.

J Drummond
Executive Chairman

N Jagatia
Finance Director

Teathers Financial plc Registered No. 00092343

TEATHERS FINANCIAL PLC

Statement of Changes in Equity

for the year ended 31 October 2014

	Share capital	Share premium	Revaluation reserve	Retained earnings	Total
	£	£	£	£	£
As at 1 November 2012	**50,000**	**-**	**22,128**	**(65,770)**	**6,358**
Changes in Equity for the year ended 31 October 2013					
Comprehensive income					
Total comprehensive loss for the year	-	-	-	(294,127)	(294,127)
At 31 October 2013	**50,000**	**-**	**22,128**	**(359,897)**	**(287,769)**
Changes in Equity for the year ended 31 October 2014					
Comprehensive income					
Loss for the year	-	-	-	(178,556)	(178,556)
Other comprehensive income	-	-	(22,128)	22,128	-
Total Comprehensive loss for the year	**-**	**-**	**(22,128)**	**(156,428)**	**(178,556)**
Transactions with owners					
Proceeds from share issue (net of expenses)	121,043	650,379	-	-	771,422
Share based payment	-	-	-	28,304	28,304
Total contributions by the owners	**121,043**	**650,379**	**-**	**28,304**	**799,726**
At 31 October 2014	**171,043**	**650,379**	**-**	**(488,021)**	**333,401**

TEATHERS FINANCIAL PLC

Statement of Cash Flows

for the year ended 31 October 2014

	Notes	2014	2012
		£	£
Cash flow from operating activities			
Cash used in operations	**25**	(753,310)	(69,291)
Interest paid		-	(7,000)
Net cash used operating activities		**(753,310)**	**(76,291)**
Cash flow from investing activities			
Purchase of investments		(100,00)	-
Proceeds from sale of PPE		406,215	-
Net cash generated from investing activities		**306,215**	**-**
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		771,422	-
New borrowings		75,000	37,000
Repayment of borrowings		(142,000)	
Net cash generated by financing activities		**704,422**	**37,000**
Net increase/(decrease) in cash and cash equivalents		257,327	(39,291)
Cash and cash equivalents at beginning of year		2,931	42,222
Cash carried forward	**19**	**260,258**	**2,931**

Notes to the financial statements

For the year ended 31 October 2014

1. General information

Teathers Financial Plc is a company incorporated and domiciled in the United Kingdom. The Company is a public limited company, which is traded on the AIM market of the London Stock Exchange. The address of the registered office is The Plaza, 535 Kings Road, London, SW10 0SZ.

The principal activity of the Company during the year changed from that of buttons and trimmings merchant to an Investing Company, as defined under the AIM Rules for Companies. The Company's investing policy is to invest in AIM quoted companies either on flotation, through secondary offerings or by purchasing shares in the market and unquoted companies, joint ventures or projects which the Board believes will be seeking a quotation on AIM within 12 to 18 months of such investment.

The financial statements are presented in British Pounds Sterling, the currency of the primary economic environment in which the Company's operates from.

2. Accounting policy

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied throughout the year, unless otherwise stated.

Basis of preparation
The financial statements of Teathers Financial Plc have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS's), IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. Practice is continuing to evolve on the application and interpretations of IFRS. The Company has adopted IFRS for the first time and the comparatives have been restated to reflect the requirements. There are no prior year adjustments required in adopting IFRS first time except for disclosures changes.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain property, plant and equipment.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

(a) Adoption of new and revised International Financial Reporting Standards (IFRS)

Standards and interpretations adopted in the current year
The following new and revised Standards and Interpretations have been adopted in the current period.

IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interest in Other Entities
Amendments to IFRS 10, 12, IAS 27	Investment Entities
Amendments to IAS 27	Separate Financial Statements
Amendments to IAS 28	Investments in Associates and Joint Ventures
Amendments to IAS 32	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
Amendments to IAS 36	Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets
Amendments to IAS 39	Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting
IFRIC 21	Levies
Improvements to IFRSs 2011-2013 cycle (issued December 2013)	

The adoption of these standards and interpretations has not led to any changes to the Company's accounting policies.

2. Accounting policy (continued)

Standards and interpretations in issue, not yet adopted

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not yet been applied in these financial statements were in issue but not yet effective (and in some cases, had not yet been endorsed by the EU):

IFRS 9	Financial Instruments – not endorsed by the EU
IFRS 14	Regulatory Deferral Accounts – not endorsed by the EU
IFRS 15	Revenue from Contracts with Customers – not endorsed by the EU
Amendments to IFRS 10,12, IAS 28	Applying the Consolidation Exception – not endorsed by the EU
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – not endorsed by the EU
Amendments to IFRS 11	Accounting for Acquisitions of Interest in Joint Operations – not endorsed by the EU
Amendments to IAS 1	Disclosure Initiative – not endorsed by the EU
Amendments to IAS 16 and 38	Clarification of Acceptable Methods of Depreciation – not endorsed by the
Amendments to IAS 19	EU
Amendments to IAS 27	Defined Benefit Plans: Employee Contributions – endorsed by the EU
Improvements to IFRSs 2012-2014	Equity Method in Separate Financial Statements – not endorsed by the EU
cycle (issued September 2014)	Not endorsed by the EU
Improvements to IFRSs 2010-2012 cycle (issued December 2013)	Endorsed by the EU

The directors anticipate that the adoption of the Standards and Interpretations listed above in future periods will have no material impact on the financial statements of the Company, except for the following:

IFRS 9 is a new standard which enhances the ability of investors and other users of financial information to understand the accounting for financial assets and reduces complexity. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in IAS 39. This standard is effective for accounting periods commencing on or after 1 January 2018. we will evaluate the impact of the Company in 2015.

IFRS 15 is a new standard, based on a five-step model framework, which replaces all existing revenue recognition standards. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of certain non-financial assets that are not an output of the entity's ordinary activities (eg., sales of property, plant and equipment or intangibles). This standard is currently effective for accounting periods commencing on or after 1 January 2017. We will evaluate the impact on the Company in 2015.

2. Accounting policy (continued)

Going concern
The Company meets its day-to-day working capital requirements through the use of cash reserves.

The Directors have considered the applicability of the going concern basis in the preparation of these financial statements. This included the review of internal budgets and financial results which show, taking into account reasonably probable changes in financial performance that the Company should be able to operate within the level of its current funding arrangements.

The Directors have a reasonable expectation that the Company have adequate resources to continue in operation for the foreseeable future. For this reason they have adopted the going concern basis in the preparation of the financial statements.

Foreign currency translation
Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions where items are re-measured. 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 within ‘administrative expenses’.

Property, plant and equipment
Property, plant and equipment are stated at historical cost less accumulated depreciation and any provision for impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the asset and bringing the asset to its working condition for its intended use.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only where it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Any borrowing costs associated with qualifying property plant and equipment are capitalised and depreciated at the rate applicable to that asset category.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method or reducing balances method to allocate their cost to its residual values over their estimated useful lives, as follows:

Buildings	2% on valuation
Fixtures and fittings	33% on reducing balance basis
Motor vehicles	25% on reducing balance basis

The assets’ residual values and useful economic lives are reviewed regularly, and adjusted if appropriate, at the end of each reporting period.

An asset’s carrying value is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on the disposal of assets are determined by comparing the proceeds with the carrying amount and are recognised in administration expenses in the income statement.

Investments
Investments where the Company does not have a controlling interest are initially recognised at cost. The carrying value is tested annually for impairment and an impairment loss is recognised for the amount by which the carrying amount exceeds its recoverable amount.

2. Accounting policy (continued)

Financial assets

Classification

The Company classifies its financial assets in the following categories: loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired and management determines the classification of its financial assets at initial recognition.

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Company's loans and receivables comprise 'trade and other receivables' and cash and cash equivalents in the balance sheet.

(b) Financial assets designated at fair value through profit or loss.

All short term investments are designated upon initial recognition as held at fair value through profit or loss (FVTPL). Investment transactions are accounted for on a trade date basis. Assets are de-recognised at the trade date of the disposal. Investments are initially measured at fair value plus incidental acquisition costs. Subsequently, they are measured at fair value in accordance with IAS 39. This is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted. The fair value of the financial instruments in the balance sheet is based on the quoted bid price at the balance sheet date, with no deduction for any estimated future selling cost. Unquoted investments are valued by the directors using primary valuation techniques such as recent transactions, last price and net asset value. Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Statement of Comprehensive Income as "Net change in fair value of investments".

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date – the date on which the Company commits to purchase the asset. Assets are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the risk and rewards of ownership have been transferred.

Loans and receivables are subsequently carried at amortised cost using the effective interest rate method.

Investments held at fair value through profit or loss are subsequently carried at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income until the asset is disposed at which time the cumulative gain or loss previously recognised in equity is included in the consolidated income statement for the period. If an available-for-sale investment is determined to be impaired, the cumulative loss previously recognised in equity is included in the income statement for the period.

Inventories

Inventories and work in progress are stated at the lower of cost and net realisable value. Cost is based on the average cost of purchase of stock held. Net realisable value represents the estimated selling price less all estimated costs of completion and applicable selling costs. Where necessary, provision is made for slow-moving and obsolete inventory. Inventory on consignment and their related obligations are recognised in current assets and payables respectively.

Trade and other receivables

Trade receivables are initially recognised at fair value, being the original invoice amount, and subsequently measured at amortised cost less provision for impairment. A provision for impairment 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 receivable. Trade receivables that are less than three months past due are not considered impaired unless there are specific financial or commercial reasons that lead management to conclude that the customer will default. Older debts are considered to be impaired unless there is sufficient evidence to the contrary that they will be settled. The amount of the provision is the difference between the asset's carrying value and the present value of the estimated future cash flows. 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. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the income statement.

2. Accounting policy (continued)

Cash and cash equivalents
Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of less than three months, reduced by overdrafts to the extent that there is a right of offset against other cash balances.

Share capital
Ordinary Shares are classified as equity. Proceeds in excess of the nominal value of shares issued are allocated to the share premium account and are also classified as equity. Incremental costs directly attributable to the issue of new Ordinary Shares or options are deducted from the share premium account.

Financial liabilities
Debt is measured at fair value, being net proceeds after deduction of directly attributable issue costs, with subsequent measurement at amortised cost with the exception of deferred equity consideration which is categorised as a financial liability at fair value through profit and loss. Debt issue costs are recognised in the income statement over the expected term of such instruments at a constant rate on the carrying amount.

Trade and other payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings
Borrowings are recognised initially at the fair value of proceeds received, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing costs are expensed in the income statement under the heading ‘finance costs’. Arrangement and facility fees together with bank charges are charged to the income statement under the heading ‘administrative expenses’.

Current and deferred income tax
The tax expense comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income where the associated tax is also recognised in other comprehensive income.

The current income tax charge is calculated on the basis of the tax rates at the balance sheet date. Management evaluates the position and establishes provisions on the basis of amounts expected to be paid to the tax authority.

Deferred tax is recognised, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and tax losses, to the extent that they are regarded as recoverable. They are regarded as recoverable where, on the basis of available evidence, there will be sufficient taxable profits against which the future reversal of the underlying temporary differences can be deducted.

The carrying value of the amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all, or part, of the tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on the current tax rates at the balance sheet date.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities.

2. Accounting policy (continued)

Employee benefits
(a) Pension obligations
Following the disposal of the buttons business, the Company no longer operates a defined contribution pension scheme.

(b) Share-based compensation
The Company operates a number of equity-settled, share-based compensation plans, under which the Company receives services from employees as consideration for equity instruments of the Company. Equity-settled share-based payments are measured at fair value at the date of grant and are expensed over the vesting period based on the number of instruments that are expected to vest. For plans where vesting conditions are based on share price targets, the fair value at the date of grant reflects these conditions. Where applicable the Company recognises the impact of revisions to original estimates in the income statement, with a corresponding adjustment to equity for equity-settled schemes. Fair values are measured using appropriate valuation models, taking into account the terms and conditions of the awards.

When the share-based payment awards are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

National insurance on share options
To the extent that the share price at the balance sheet date is greater than the exercise price on options granted under unapproved share-based payment compensation schemes, provision for any National Insurance Contributions has been based on the prevailing rate of National Insurance. The provision is accrued over the performance period attaching to the award.

Revenue recognition
(a) Sale of goods
Revenue for the sale of buttons is measured at the fair value of the consideration received or receivable and represents the invoiced value for the sale of the goods and services net of sales taxes, rebates and discounts. Revenue from the sale of goods is recognised when the Company has delivered products to the customer, the customer has accepted delivery of the products and collectability of the related receivables is reasonably assured.

(b) Interest income
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend distribution
Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when paid.

3. First-time adoption of IFRS

These financial statements, for the year ended 31 October 2014, are the first the Company has prepared in accordance with IFRS. For periods up to and including the year ended 31 October 2013, the Company prepared its financial statements in accordance with United Kingdom generally accepted accounting practice (UK GAAP). Accordingly, the Company has prepared financial statements which comply with IFRS applicable for periods ending on or after 31 October 2014, together with the comparative period data as at and for the year ended 31 October 2013, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening statement of financial position was prepared as at 1 November 2012 the Company's date of transition to IFRS. No adjustments are required to be made by the Company in restating its UK GAAP financial statements, including the statement of financial position as at 1 November 2012 and the financial statements as at and for the year ended 31 October 2013.

4. Critical accounting estimates and judgements

In the process of applying the accounting policies, management has made accounting judgements in the determination of the carrying value of certain assets and liabilities. Due to the inherent uncertainty involved in making assumptions and estimates, actual outcomes will differ from those assumptions and estimates. The following judgements have the most significant effect on the amounts recognised in the financial statements.

(a) Share-based payments
A number of accounting estimates and judgements are incorporated within the calculation of the charge to the income statement in respect of share-based payments. These are described in more detail in note 22.

(b) Impairment of receivables
Trade and other receivables are carried at the contractual amount due less any estimated provision for non-recovery. Provision is made based on a number of factors including the age of the receivable, previous collection experience and the financial circumstances of the counterparty.

(c) Deferred tax assets
Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. A deferred tax asset in respect of tax losses relating to the Company has not been recognised as insufficient future taxable profit in the Company is currently forecast.

(d) Fair value of financial assets
The Company holds investments that have been designated as held at fair value through profit or loss. Investment transactions are accounted for on a trade date basis. Assets are de-recognised at the trade date of the disposal. Assets are sold at their fair value, which comprises the proceeds of sale less any transaction cost. The fair value of the financial instruments in the balance sheet is based on the quoted bid price at the balance sheet date, with no deduction for any estimated future selling cost. Unquoted investments are valued by the directors using primary valuation techniques such as recent transactions, last price and net asset value. Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the consolidated statement of comprehensive income as "Net gains on investments". Investments are initially measured at fair value plus incidental acquisition costs. Subsequently, they are measured at fair value in accordance with IAS 39. This is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted.

5. Segmental reporting

Management has determined the Company's operating segments based on the monthly management reports presented to the Chief Operating Decision Maker ('CODM'). The CODM is the Executive Directors and the monthly management reports are used by the Company to make strategic decisions and allocate resources.

The principal activity of the Company is that of an Investment Company undertaking in United Kingdom only. As such the Board considers that there is no separate segmental reporting required. The current key reporting performance measure used by the CODM is the operating results, cash resources and investments made to date.

6. Expenses by nature

	2014	2013
	£	£
Employee benefit expense (note 8)	100,499	35,000
Other expenses	250,586	118,623
Total administrative expenses	**351,085**	**153,623**

7. Discontinued operations

Analysis of profit/ (loss) for the year from discontinued operations

The results and cash flows of the discontinued operations included in the comprehensive income statement and cash flow statements for the year are set out below:

	2014	2013
	£	£
Revenue	232,355	200,700
Cost of sale	(135,120)	(108,211)
Exceptional gain on disposal of assets	360,849	-
Other administrative expenses	(285,792)	(225,993)
Profit/(loss) for the year from discontinued operations	**172,292**	**(133,504)**
Cash flow from discontinued operations		
Net cash flow from operating activities	(171,391)	(110,918)
Net cash flow from investing activities	406,215	-
Net cash flow	**234,824**	**(110,918)**

On 26 November 2013, the Company disposed of its freehold land and property based in Greenwich for a total cash consideration of £400,000.

Subsequent to the year end, the Company signed a sale agreement to sell the existing business and assets to a purchaser for an initial cash consideration, payable on completion, of £10,000 and an additional sum in cash equal to 65 per cent or 100 per cent of the lower of cost or net realisable value of the inventory comprised in the existing business.

7. Discontinued operations (continued)

The net assets of the business unit at the date of disposal were as follows:

	2014
	£
Property, plant and equipment	7,000
Inventory	39,599
Provision for obsolete inventory	(29,000)
Trade and other receivables	104,162
Assets held for sale	38,091
Trade and other payables	(26,177)
Provision for trade receivables	(20,524)
Net assets	**113,151**
Total consideration	503,000
Less: discount (note 1)	(15,000)
Gain on disposal	**364,849**
Satisfied by:	
Cash and cash equivalents	400,000
Deferred consideration (note 2)	88,000
	488,000

Note 1 - The discount relates to the cash paid on the disposal of the freehold land and property, which was applied due to early settlement of the remaining consideration outstanding.

Note 2 - Deferred consideration of £88,000 represents £10,000 of cash paid on completion of the disposal of the existing business and the remainder to be settled by the purchaser equal to 65 per cent or 100 per cent of the lower of cost or net realisable value of the inventory.

The gain on disposal in included in the profit for the year from discontinued operations.

8. Auditor remuneration

During the year the Company obtained the following services from the auditor:

	2014	2013
	£	£
Fees payable to the auditor for the audit of the Company	14,500	8,000
Fees payable to the auditor for other services:		
• Tax services	2,000	1,000
Total auditor's remuneration	**16,500**	**9,000**

9. Employee benefit expense

	2014	2013
	£	£
Wages and salaries	100,499	33,276
Total employee benefit expense	**100,499**	**33,276**

All the wages and salaries were paid to the Directors. There were no employees in the continuing operations except for the Directors. Further disclosures in respect to Directors' remuneration are included in the Report of the Remuneration Committee on page 16.

10. Finance cost

	2014	2013
	£	**£**
Interest expense		
• Interest on other loans	-	7,000
	-	**7,000**

11. Taxation

Income tax credit

	2014	2013
	£	**£**
Current tax	-	-
Deferred tax	(237)	-
Income tax credit	**(237)**	**-**

The tax credit on the loss before tax differs from the theoretical amount that would arise using the standard tax rate applicable to the results of the company as follows:

	2014	2013
	£	**£**
Loss on ordinary activities before taxation	**(351,085)**	**(153,623)**
Tax calculated at domestic rate applicable to UK standard rate for small companies of 20% (2013 - 20%)	(70,217)	(30,725)
Effects of:		
Expenses not deductible for tax purposes	5,661	-
Tax losses carried forward	64,556	30,725
Other movements	(237)	-
Income tax credit	**(237)**	**-**

Approximately tax losses totalling £1.28m (2013:£1.19m) have been carried forward for use against future taxable profits.

12. (Loss)/earnings per share

(a) Basic

Basic (loss)/earnings per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2014	2013
	£	£
Loss attributable to equity holders of the company	(178,556)	(294,127)
Loss from continuing operations attributable to equity holders of the company	(350,848)	(160,623)
Profit/(loss) from discontinued operations attributable to equity holders of the company	172,292	(133,504)
Weighted average number of ordinary shares in issue	28,007,122	10,000,000
	Pence	**Pence**
Basic (loss) per share	(0.64)	(2.94)
Basic (loss) per share from continuing operations	(1.25)	(1.61)
Basic earnings/(loss) per share from discontinued operations	0.62	(1.34)

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. No share warrants outstanding at 31 October 2014 were dilutive and all such potential ordinary shares are therefore excluded from the weighted average number of Ordinary shares for the purposes of calculating diluted earnings per share. Details of warrants outstanding are given in note 23.

13. Dividends

There were no dividends paid or proposed by the Company in either year.

14. Property, plant and equipment

	Freehold Land & Buildings	Fixtures, Fittings & Equipment	Motor Vehicles	Total
2013				
Cost				
At 1 November 2012	74,746	43,606	24,791	143,143
Transferred to assets held for sale	(74,746)	-	-	(74,746)
At 31 October 2013	**-**	**43,606**	**24,791**	**68,397**
Depreciation				
At 1 November 2012	35,310	39,912	11,162	86,384
Charge for the year	1,070	1,070	1,820	3,960
Transferred to assets held for sale	(36,380)	-	-	(36,380)
At 31 October 2013	**-**	**40,982**	**12,982**	**53,964**
Net Book Value				
At 31 October 2013	**-**	**2,624**	**11,809**	**14,433**
2014				
Cost				
At 1 November 2013	-	43,606	24,791	68,397
Disposal	-	(43,606)	(24,791)	(68,397)
At 31 October 2014	**-**	**-**	**-**	**-**
Depreciation				
At 1 November 2013	-	40,982	12,982	53,964
Charge for the year	-	2,624	4,809	7,433
Elimination on disposal	-	(43,606)	(17,791)	(61,397)
At 31 October 2014	**-**	**-**	-	-
Net Book Value				
At 31 October 2014	**-**	**-**	**-**	**-**

Depreciation charge relates to discontinued operations.

15. Trade and other receivables

	2014	2013
	£	£
Trade receivables	-	63,087
Other receivable	95,164	-
	95,164	**63,087**

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

During the year the Company made approximately a £20,000 (2013 - £nil) provision against doubtful debts. These bad debts related to discontinued operations.

16. Inventories

	2014	2013
	£	£
Finished goods	-	41,810
	-	**41,810**

The Directors are of the opinion that the replacement values of inventories are not materially different to the carrying values stated above.

17. Asset held for sale

	2014	2014
	£	£
Freehold property	-	38,366

The asset held for sale was sold eventually for £400,000. A net book gain of £361,634 was recorded in the books which all attributable to discontinued operations.

18. Investments

	2014	2014
	£	£
Convertible loan	100,000	-

On 2 October 2014 the Company made an investment of £100,000 in Kentucky Oil and Gas plc (KOG) by way of a convertible loan note. On 1 April 2015 the Company agreed with KOG to convert the loan note into 2,222,222 new ordinary shares in the capital of KOG at a price of 4.5 pence per share representing approximately 2.69% of the share capital of KOG.

The table of investments sets out the fair value measurements using the IFRS 7 fair value hierarchy. Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows:
Level 1 – valued using quoted prices in active markets for identical assets.
Level 2 – valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1.
Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data.
The valuation techniques used by the company are explained in the accounting policy note, “Investments held at fair value through profit or loss”

LEVEL 3 FINANCIAL ASSETS
Reconciliation of Level 3 fair value measurement of financial assets

	2014	2014
	£	£
Brought forward	-	-
Purchases	100,000	-
Carried forward	100,000	-

19. Cash and cash equivalents

	2014	2013
	£	£
Cash at bank and on hand	260,258	2,931
	260,258	**2,931**

All of the Company’s cash and cash equivalents are at floating rate. The Directors consider that the carrying amount of cash and cash equivalents approximates to their fair value.

20. Trade and other payables

	2014	2013
	£	£
Trade payables	37,436	128,532
Social security and other taxes	2,480	18,354
Accruals and deferred income	82,105	234,273

	122,021	**381,159**

The Directors consider that the carrying amount of trade payables approximates to their fair value.

21. Deferred taxation

Deferred tax liabilities were as follows:

	2014	**2013**
	£	**£**
Deferred tax liabilities to be recovered more than 12 months	-	237
Deferred tax liabilities were made up as follows:		
Accelerated tax depreciation	-	237

Deferred tax assets:
Deferred income tax assets are only recognised to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Company did not recognise deferred income tax assets of approximately £250,000 (2013 - £238,000), mainly in respect of tax losses amounting to approximately £1,280,000 (2012 - £1,190,000) that can be carried forward against future taxable income.

22. Borrowings

	2014	**2013**
	£	**£**
Non-current		
Other payable	-	12,000
	-	12,000
Current		
Other payables	-	55,000
	-	**55,000**

Non-current borrowings
Other payables in 2013 relates to an unsecured convertible loan of £12,000 made available to the Company by Teather & Greenwood Limited, a company which is wholly owned by Executive Chairman Jason Drummond. The loan was repaid on 21 March 2014 following successful fundraising through placing of shares in the Company.

Current borrowings
Other payables in 2013 relates to loans provided by a former director Kevin Jackson. During the year the Company and Kevin Jackson came to an agreement to repay the loan with all the accrued interest as per a settlement agreement in respect of his termination of employment.

23. Share capital and share premium

	Number of shares	Share capital (£)	Share premium (£)	Total
1 November 2013	10,000,000	50,000	-	50,000
Issue of shares during the year	24,208,477	121,043	650,379	771,422
At 31 October 2014	**34,208,477**	**171,043**	**650,379**	**821,422**

During the year the following changes were made to the share capital:

(i) On 19 December 2013 following the General Meeting a resolution was passed to reorganise the capital structure of the company. It was agreed to sub divide and reclassify the existing 100,000 ordinary shares of 50p each into 100 new ordinary shares of 0.5p each. Immediately following the approval 10,000,000 ordinary shares were in issue.

(ii) During the year ended 31 October 2014 24,208,477 ordinary shares of 0.5p were issued as follows:

Date:	No of shares	Price	Reason
19 December 2013	541,600	4p	New issues
19 December 2013	400,000	4p	Cornhill Capital Limited for broking services
24 March 2014	6,250,000	4p	New issues
24 March 2014	625,000	4p	Jason Drummond fees
24 March 2014	692,700	4p	Oliver Fattal salary and loan repayment
24 March 2014	692,700	4p	Richard Woodbridge salary and loan repayment
21 March 2014	81,478	4p	Kevin Jackson for expenses
13 September 2014	13,333,333	3p	New issues
24 September 2014	1,466,666	3p	Kevin Jackson settlement
24 September 2014	125,000	4p	Peterhouse Corporate Finance Limited for broking services

(iii) The following warrants have been issued during the year:

Date	Party	Warrants	Exercise price	Term	Reason for issue
19 December 2013	Beaumont Cornish	525,000	4p	5 years from date of grant	Services during IPO
12 December 2013	Richard Woodbridge	125,000	4p	Anytime to 12 December 2014	Settlement
7 September 2014	J Rowland	1,901,600	4p	Anytime to 7 August 2019	Corporate finance service
7 September 2014	Jason Drummond	932,200	4p	Anytime to 7 August 2019	Corporate finance service
13 September 2014	Various shareholders	13,333,333	3p	Anytime to 26 September 2015	New share issue subscription
24 September 2014	Kevin Jackson	1,433,333	4p	Anytime to 23 September 2017	Settlement
Total		**18,250,466**	**3.2p**		

Subsequent to the year end, Richard Woodbridge’s warrants were unexercised and have expired.

23. Share capital and share premium (Continued)

Share based payment charge

The weighted average fair value of warrants granted for services during the year determined using the Black-Scholes valuation model was 0.6 pence. The significant inputs into the model are detailed below:

	2014
Weighted average share price	4p
Weighted average warrants exercise price	4p
Expected volatility	40%
Risk-free interest rate	0.5%
Expected life	1 year
Dividend yield	–

Expected volatility was determined by calculating the volatility in the historic share price over a period consistent with the expected exercise period of the warrants. This level of volatility has then been benchmarked by comparing the level of share price volatility for other similar AIM company over a period.

24. Retained earnings

	£
1 November 2012	(65,770)
Loss for the year	(294,127)
At 31 October 2013	**(359,897)**
At 1 November 2013	(359,897)
Loss for the year	(178,556)
Revaluation reserve realised	22,128
Share based payment	28,304
At 31 October 2014	**(488,021)**

25. Cash flow from operations

	2014	2013
	£	£
Loss before tax	(351,085)	(160,623)
Adjustments for:		-
• Depreciation	7,433	3,960
• Share based payment	28,304	-
• Discontinued operations	172,292	(133,504)
• Profit on disposal of PPE	(360,849)	-
• Finance costs	-	7,000
Changes in working capital		
• Inventories	41,810	31,497
• Trade and other receivables	(32,077)	(12,871)
• Trade and other payables	(259,138)	195,250
Net cash used in operations	**(753,310)**	**(69,291)**

26. Financial instruments

The Company's financial assets comprise investments, trade and other receivables and cash and cash equivalents whilst the Company's financial liabilities comprise of trade and other payables which arise directly from its operations.

An equity instrument is any contract that gives a residual interest in the assets of the Company after deducting all of its liabilities. Instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Management objectives and policies
It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments shall be undertaken.

The Company's policy is to maximise the after tax return on cash deposits, to take all discounts available from the settlement of financial liabilities and to offer settlement discounts that result in the early payment of financial assets, thus minimising credit risk.

Information relating to financial assets and liabilities
With the discontinued activity the trade receivables were receivable within 30 days from the date of invoice and didn't bear interest. Trade payables of the discontinued and continuing activity are repayable between 30 and 60 days from the date of invoice; provided that they are paid by their due date, they are interest free. Trade payables are denominated primarily in pounds sterling.

Details of the carrying value of the financial assets and liabilities are given in the Statement of Financial Position and the related notes. The carrying value of these approximate to their fair value.

The main risks arising from the Company's instruments with the continuing operations are interest rate and capital risk management. The policy for managing these risks are summarised below and will be applied.

***Interest* rates**
Cash deposits are denominated in sterling and held in interest bearing bank accounts which currently require no notice and are with recognised clearing banks. The accounts have been selected to achieve the maximum possible interest rate whilst meeting the Company's daily working capital requirements and are regularly reviewed. The interest rates vary with the bank's base rate.

26. Financial instruments (continued)

Capital risk management

The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it continues to provide returns and benefits for shareholders;
- to support the Company's growth; and
- to provide capital for the purpose of strengthening the Company's risk management capability.

The Company actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Company and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Management regards total equity as capital and reserves, for capital management purposes.

The Company monitors capital on the basis of the value of its investments and the cash reserve. The Company is currently largely un-geared, having net cash at 31 October 2014. It is the stated strategy of the Company to invest in companies funded through an equity fundraising or issue of debt instruments.

The Company uses financial instruments, other than derivatives, comprising cash to provide funding for the Company's operations.

CATEGORIES OF FINANCIAL INSTRUMENTS

The IAS 39 categories of financial asset included in the statement of financial position and the headings in which they are included are as follows:

	2014	2013
	£	£
FINANCIAL ASSETS:		
Cash and cash equivalents	260,258	2,931
Loans and receivables	95,164	63,087
Investments held at fair value through profit or loss	100,000	-
	455,422	**66,018**

FINANCIAL LIABILITIES AT AMORTISED COST:

The IAS 39 categories of financial liabilities included in the statement of financial position and the headings in which they are included are as follows:

	2014	2013
	£	£
Trade and other payables	39,916	146,886
Borrowings	-	55,000
	39,916	**201,886**

27. Related party transactions

In 2013 unsecured convertible loan of £12,000 made available to the Company by Teather & Greenwood Limited, a company which is wholly owned by Executive Chairman Jason Drummond. The loan was repaid on 21 March 2014 following successful fundraising through placing of shares of the Company.

A loan facility of £5,000 accruing interest at a rate of 15 per cent, with a minimum interest payment of £100 per month was made available to the Company by Mr K Jackson on 25 March 2013. Subsequent to the year end the Company and Mr K Jackson came to an agreement to repay the loan as per the settlement agreement in respect of his termination of employment.

27. Related party transactions (continued)

In 2013 £55,000 loans provided by a former director Kevin Jackson was repaid during the year with interest.

On 25 November 2013 a maximum draw down unsecured loan of £75,000 was provided by Teather & Greenwood Limited (a company wholly owned by director Jason Drummond) to the Company accruing interest at the rate of 9 per cent per annum on the monies drawn down and outstanding from time to time. At the year-end there was no balance outstanding with the loan provider.

On 21 March 2014, the Company issued 625,000 ordinary shares of 0.5p each at a price of 4p per share to a director, Jason Drummond as an arrangement fee for fundraising made available to the Company.

On 7 August 2014, the Company entered into a consultancy agreement with Mr J Rowland for a minimum period of 12 months. In consideration of the consultancy services, Mr J Rowland has entered into a warrant agreement, which entitles him to subscribe for warrants for 1,901,600 ordinary shares of 0.5 pence each in the capital of the Company on or before 7 August 2019 at an exercise price of 4 pence per share.

On 7 August 2014, the Company entered into a warrant agreement with Mr J Drummond which entitles him to subscribe for 932,200 ordinary shares on or before 7 August 2019 at an exercise price of 4 pence per ordinary share.

28. Post balance sheet events

On 3 December 2014, the Directors Jason Drummond, Nilesh Jagatia and Oliver Fattal were granted options over a total of 5,131,269 ordinary shares to be split equally between them. All of the below options granted are deemed as related party transactions.

Number of Options granted to the Directors	Price	Exercise dates
1,446,261	4p	3 December 2015, being the first anniversary of grant until 3 December 2024, being the tenth anniversary of grant
264,162	3.00p*	3 December 2015, being the first anniversary of grant until 3 December 2024, being the tenth anniversary of grant
1,710,423	3.00p*	3 December 2016, being the second anniversary of grant until 3 December 2024, being the tenth anniversary of grant
1,710,423	3.00p*	3 December 2017, being the third anniversary of grant until 3 December 2024, being the tenth anniversary of grant

*being the average closing mid-market price of the Ordinary Shares traded on AIM for the preceding 30 business days before the day of grant.

28. Post balance sheet events (continued)

Subsequent to the year end the following warrants were exercised:

- 17 December 2014 – 2,200,000 at 3p per share
- 24 March 2015 – 875,000 at 3 per share
- 26 March 2015 – 3,541,666 at 3 per share
- 30 March 2015 – 333,333 at 3 per share
- 1 April 2015 – 1,166,667 at 3per share
- 14 April 2015 – 2,246,667 of which 250,000 at 3 per share and the remaining 1,996,667 at 6p per share
- 20 April 2015 – 170,000 at 3p per share

On 6 March 2015 the Company issued 2,500,000 ordinary shares of 0.5p each at a price of 4p per share. In addition the Company issued 750,000 new ordinary shares to satisfy certain existing liabilities amounting to £30,000.

On 16 March 2015 the Company invested £100,000 in cash in TechFinancials Plc in consideration for 379,371 ordinary shares of US$0.0005 each representing approximately 0.56 per cent of the issued share capital.

On 27 March 2015 the Company issued 12,500,000 ordinary shares of 0.5p each at a price of 4p per share. Furthermore each subscription share carried one warrant which entitled the holder to subscribe for one new ordinary share in the Company up to 2 April 2016 at a price of 6p per share.

On 30 March 2015 the Company issued 12,500,000 ordinary shares of 0.5p each at a price of 4p per share to Jonathan Rowland through Schweco Nominees Limited. Furthermore each subscription share carried one warrant which entitled the holder to subscribe for one new ordinary share in the Company up to 2 April 2016 at a price of 6p per share. The participation in the Subscription by Jonathan Rowland through Schweco Nominees Limited is a Related Party Transaction as defined in the AIM Rules for Companies by virtue of Jonathan Rowland being beneficially interested in more than 10 per cent. of the issued share capital of Teathers within 12 months of agreeing to participate in the Subscription.

On 2 October 2014 the Company lent £100,000 to Kentucky Oil and Gas plc (KOG) by way of a convertible loan note. On 1 April 2015 the Company agreed with KOG to convert the loan note into 2,222,222 new ordinary shares in the capital of KOG at a price of 4.5 pence per share representing approximately 2.69% of KOG's issued share capital.

On 27 April 2015 the Company disposed of its entire investment in TechFinancials Plc of 379,371 ordinary shares of USD$0.0005 each, for a total of £121,145 in cash, realising a 21.1 per cent profit on its original investment.