Pires Investments plc

(Incorporated in England and Wales with registered number 02929801)

Annual Report and
Financial Statements

FOR THE YEAR ENDED 31 OCTOBER 2017

Contents

Company Information

Directors	**Peter Redmond (Chairman)** **John May (Non-Executive Director)** **Nicholas Lee (Non-Executive Director)**
Secretary	**Robert Porter**
Registered office	**c/o Cooley Services Limited** Dashwood House 69 Old Broad Street London EC2M 1QS
Independent Auditors	**Welbeck Associates** Chartered Accountants and Registered Auditors 30 Percy Street London W1T 2DB
Nominated adviser	**Cairn Financial Advisers LLP** 62-63 Cheapside Cheyne House Crown Court London EC2V 6AX
Broker	**Peterhouse Corporate Finance Limited** 3rd Floor New Liverpool House 15 – 17 Eldon Street London EC2M 7LD
Registrars	**Computershare Investor Services plc** PO Box 82 The Pavilions Bridgwater Road Bristol BS99 7NH
Company Registration number	**02929801**

Chairman's Statement

During the year to 31 October 2017, the Company's net assets increased significantly to £627,548 compared to the previous year's figure of £130,714. This was principally due to fundraising during the year and the favourable performance of the Company's investment portfolio.

The operating loss from continuing activities for the period amounted to £142,916, a significant reduction compared to the previous year. This improvement was principally due to the increase in value of the Company's investment portfolio, as already mentioned. We were also able to realise some of these investment gains through certain strategic disposals. The results also included a significant provision against our VAT receivable balance, which has had the effect of inflating our operating costs. Discussions with Customs and Excise continue however the Directors consider it prudent to make this provision at this stage.

During the period under review, we raised £675,000 gross (£639,750 net of fees) in new equity from investors and these funds were largely used to make a significant investment in Eco (Atlantic) Oil and Gas Limited ("ECO"), an oil and gas exploration company listed on both AIM and the Toronto Stock Exchange. Since the year end, the Company's net asset position has continued to grow and is, at the date of this statement approximately 30% higher than as at the year end. This is principally due to the increase in the share price of ECO, which now represents the Company's largest investment.

The Company reviewed a number of potential reverse transaction opportunities during the year. However, none of them advanced beyond the diligence stage. The Company continues to review a range of opportunities and the Directors believe that it is in a stronger position to attract interesting transactions given the improvement in its financial position.

Peter Redmond
Chairman
29 April 2018

Business review and future developments

Investments

During the year, the Company disposed of part of its holding in SalvaRx Group plc and its entire holding in EVR Holdings plc. It also acquired some additional shares in Kazera Global plc (formerly Kennedy Ventures plc) and subscribed for shares in Eco (Atlantic) Oil and Gas Limited as part of this company's introduction to AIM in February 2017. As at 31 October 2017, the Company's principal investments comprised:

Investment		**Value (£)***
SalvaRx Group plc		76,139
Kazera Global plc		36,296
Eco (Atlantic) Oil and Gas Limited		424,875
Total		537,310

*based on the market valuation of the respective companies' shares at 31 October 2017.

Going concern

The Company's activities resulted in a loss of £142,916 (2016: loss of £559,637) and, as at 31 October 2017, the Company's cash balance was £241,142 (2016: £49,448).

The Company's administrative expenses in the 12 month period from the signing of these financial statements may exceed the Company's current cash balance. The Company, however, has a significant portfolio of listed investments some of which could be easily realised to meet a possible shortfall if it were to arise. This provides more than sufficient headroom for the Company, as at the date of signing of these accounts.

The Directors therefore consider that, based upon financial projections, the Company will be a going concern for the next twelve months. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

Investing Policy

The Company's investing policy was approved by shareholders on 16 April 2012 and implemented in accordance with the requirements of Rule 15 of the AIM Rules (as in force at that time) on 12 April 2013. A copy of the investing policy is available on the website (www.piresinvestments.com).

Financial risk management objectives and policies

Details of the Company's financial instruments and financial risk management policies can be found in notes 14 and 15 to the financial statements.

Key performance indicators

The key performance indicators are set out below:

	31 October 2017 £	31 October 2016 £	Change %
Net asset value	627,548	130,714	379%
Net asset value – fully diluted per share	0.014p	0.011p	27%
Cash and cash equivalents	241,142	49,448	388%

Principal business risks and uncertainties

Identifying suitable targets

The Company is dependent upon the ability of the Directors to identify suitable investment opportunities in accordance with its Investing Policy. There is no guarantee that the Company will be able to source further opportunities, or complete investments, 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.

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.

Funding

It is likely that, if the Company identifies and wishes to pursue an investment opportunity or a reverse takeover, it is likely to need to raise further funds for further working or development capital. There is no guarantee that the then prevailing market conditions will allow for such a fundraising or that new investors will be prepared to invest on a basis which is acceptable to shareholders.

Assessment of Business Risk

The Board regularly reviews operating and strategic risks and considers in such reviews financial and non-financial information including:

- a review of the business at each Board meeting, focusing on any new decisions/risks arising;
- the performance of investments;
- selection criteria of new investments; and
- reports prepared by third parties.

Peter Redmond
Director
29 April 2018

The Directors present their annual report and the audited Company financial statements of Pires Investments plc for the year ended 31 October 2017.

On 2 November 2016 the the Company raised, £525,000 gross of expenses, for the Company, through the issue to third party investors of 17,500,000 new ordinary shares in the Company at a placing price of 3 pence per share.

Placees also received one warrant for every two placing shares subscribed for. The warrants have an exercise price of 4.25 pence each, and are exercisable for a period of 18 months from the date of issue, the last exercise date being 2 May 2018.

On 28 November 2016, the Company raised a further £150,000, gross of expenses, through the issue of 5,000,000 new ordinary shares at a placing price of 3 pence per share.

Placees also received one warrant for every two placing shares subscribed for. The warrants have an exercise price of 4.25 pence each, and are exercisable for a period of 18 months from the date of issue, the last exercise date being 25 May 2018.

The Company's Ordinary Shares are traded on AIM Market of the London Stock Exchange under the ticker PIRI.

Results and dividends

The Company's loss from continuing activities for the year was £142,916 (2016 loss: £559,637). The Directors are unable to recommend the payment of a dividend, given the deficit on distributable reserves.

Principal activities and review of business

The principal activities of the Company throughout the year under review and since have been as an investment company which has involved the seeking, investigation and making of investments.

The review of the business is contained within the Strategic Report on page 3.

Events after the Reporting Period

In March 2018 the Company exercised warrants to acquire 1,000,000 shares in Eco (Atlantic) Oil & Gas Limited at a total cost of £176,000.

Directors

The following Directors have held office since 1 November 2016:

Peter Redmond
John May
Nick Lee (appointed 13th February 2017)
Placid Gonzales (resigned 18th August 2017)

Charitable and political donations

No charitable or political donations were made during the year (2016: nil).

Substantial shareholders

As at 25 April 2018, the Company's share register showed the following shareholdings representing 3% or more of the Company's issued ordinary share capital:

	Ordinary shares of 0.25p each Number	% of the issued ordinary share capital
Fiske Nominees Limited	8,685,259	25.62%
Beaufort Nominees Limited	5,329,368	15.72%
Lawshare Nominees Limited	3,231,503	9.53%
Interactive Investor Services Nominees Limited	2,379,669	7.02%
HSDL Nominees Limited	1,859,937	5.49%
Manoli Vaindirlis	1,585,624	4.68%
Ambrosia Investment Limited	1,500,000	4.42%
HSDL Nominees Limited (Maxi)	1,077,201	3.18%

8,333,333 shares within the Fiske Nominees holding are beneficially owned by Paternoster Resources plc, the Chairman of which is Nicholas Lee, a director of the Company.

Auditor

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

By order of the Board

Peter Redmond
Director
29 April 2018

Policy on Directors' remuneration

The policy of the Board is to provide remuneration packages designed to attract, motivate and retain Directors of the calibre necessary to maintain the Company's position. The remuneration will reflect the Directors' responsibilities and time commitment.

Remuneration of the Directors

During the period, the following remuneration and other benefits were charged to the Company:

	Salaries 2017 £	**Fees 2017 £**	**Total 2017 £**	Total 2016 £
Peter Redmond	18,000	18,000	**36,000**	60,000
John May	-	24,332	**24,332**	25,000
Placid Gonzales	-	10,866	**10,866**	15,000
Nick Lee	8,500	8,500	**17,000**	-
	26,500	61,698	**88,198**	100,000

As at 31 October 2017, £24,500 of Directors fees had been deferred for payment.

Directors' interests

The Directors had no beneficial interests in the share capital of the Company as at 31 October 2016 and 31 October 2017.

Peter Redmond
Director
29 April 2018

Statement of Directors' responsibilities

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. 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 Parent 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: www.piresinvestments.com. The maintenance and integrity of the website is the responsibility of the Directors. The Directors responsibility also extends to the financial statements contained therein.

By order of the Board

Peter Redmond
Director
29 April 2018

The Company's shares are traded on AIM and, accordingly, compliance with the revised UK Corporate Governance Code is not mandatory. However, the Company has sought to comply with the principles underlying the provisions of the Code in so far as it considers them to be appropriate for a company of this size and nature. The Board is accountable to the Company's shareholders for good corporate governance. This report and the Remuneration Report describe how the Company applies the provisions of good corporate governance.

Directors

The Board currently consists of the Chairman and two other Directors whilst it is seeking investment opportunities. It is responsible for approving Company policy and strategy and for implementing it with support from consultants. The Directors will review the composition of the Board on a regular basis. All Directors have access to advice from the Company Secretary and independent professional advice at the Company's expense.

Relations with shareholders

The Company values the views of its shareholders and recognises their interest in the Company's strategy and performance. The Annual General Meeting is used to communicate with investors and they are encouraged to participate and the Directors are available to answer questions. Separate resolutions are proposed on each issue so that they can be given proper consideration.

Audit Committee

During the year the Audit Committee comprised John May and Peter Redmond. The Committee has met with the auditors and considered the results and the audit process, and has satisfied itself as to the auditor's independence during the year.

Remuneration Committee

During the year the Remuneration Committee comprised John May and Nicholas Lee. The policy of the Company on remuneration is to reward individual performance so as to promote the best interests of the Company and enhance shareholder value. The remuneration of Directors is approved by the Board. Individual Directors do not participate in decisions concerning their own remuneration.

Internal control

The Board is committed to the maintenance of effective internal controls. The Board recognises its responsibility for maintaining a strong system of internal control to safeguard shareholders' investment and the Company's assets and for reviewing its effectiveness. The system of internal financial control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

The Board has determined that there is currently no requirement for an internal audit function whilst it is undertaking its current activities. However, the Directors will continue to review the requirement for an internal audit function on a regular basis.

Peter Redmond
Director
29 April 2018

Opinion

We have audited the financial statements of Pires Investments Plc (the 'Company') for the year ended 31 October 2017 which comprise the income statement, the statement of comprehensive income, the Company statements of changes in equity, the Company statements of financial position, the Company statements of cash flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Emphasis of matter

We draw attention to note 2 of the financial statements.

The Company's administrative expenses in the 12-month period from the signing of these financial statements may exceed the Company's current cash balance, barring any fundraising activities undertaken by Pires. The Company, however, has a significant portfolio of listed investments, some of which could be easily realised to meet a possible shortfall if it were to arise. This provides more than sufficient headroom for Pires, as at the date of signing of these accounts.

Our opinion is not modified in this respect.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How we addressed it
Accounting Estimates Are prepared on a reasonable and consistent basis and are disclosed adequately in the financial statements.	We have considered the basis of the accounting estimates you have applied when preparing the financial statements and consider your responses to audit questions with professional scepticism.
Related Parties We are required to consider if the disclosures made in the financial statements are complete and accurate and the processes for identifying related parties and related party transactions.	We have assessed the Company’s procedures for identifying related parties and ensuring the completeness of the disclosures that are included in the audit planning pack.
Management override We are required to consider how management biases could affect the results of the company	We have considered the controls in place, remained alert for material and unusual items and tested a sample of journals to assess the risk.
Going Concern We consider the company’s ability to finance its activities for a period of not less than 12 months from the date the financial statements are approved.	Our going concern review focused on the cash flow forecasts and current and future financing arrangements in place in order to assert the going concern assumption.
Investments We consider the disclosure of the investment net book value, the realised and unrealised gains, the acquisitions and disposals.	We have performed a test of details through agreement to bank statements and the contracts, together with a review of the client calculations and valuations. We have tested valuations of the listed investments through agreement to London Stock Exchange prices at the year end.

Our application of materiality
Materiality for the Company financial statements as a whole was set at £ 42,000 (2016: £12,000).

This has been calculated as 5% of the benchmark of Net Assets (2016: 3% of the benchmark of Gross Assets), which we have determined, in our professional judgment, to be one of the principal benchmarks within the financial statements relevant to members of the Company in assessing financial performance.

We report to the director’s all corrected and uncorrected misstatements we identified through our audit with a value in excess of £2,100 (2016: £600), in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

An overview of the scope of our audit
Our audit is risk based and is designed to focus our efforts on the areas at greatest risk of material misstatement, aspects subject to significant management judgement as well as greatest complexity, risk and size.

The investments balance is highly material and all but one of the investments are listed. Additionally, profit/loss on the sale of investments is also highly material. As such testing was detailed, through agreement to bank statements, contracts and LSE prices, together with a review of the client calculations and valuations. Specifically, there is a risk with regard to accuracy, as part of the valuation relates to

Evolution Energy E&P, which is unquoted. The cost of this unquoted investment is a subjective figure, determined by management.

We consider management override and related parties to be qualitatively material. Although it is not the responsibility of the auditor to discover fraud, clearly any instances of fraud which we detect are material to the users of the financial statements. We have tested manual and automated journal entries, with a focus on those journal entries at year end. In addition, as part of our audit procedures to address this fraud risk, we assessed the overall control environment and reviewed whether there had been any reported actual or alleged instances of fraudulent activity during the year. For Related Parties, we have inquired with the client as the relevant related parties. We have also assessed the Company's procedures regarding related parties.

With regard to the Going Concern assumption, materiality is less relevant in terms of our scoping, since it does not relate to a specific balance. However, this is nonetheless a key audit matter and we have therefore challenged management's going concern model including the liquidity position at year end and the projected cash flows. We assessed and challenged the accuracy of the expected timing of the sale of suitable investments.

Other information
The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Bradley-Hoare (Senior statutory auditor)
for and on behalf of Welbeck Associates
Chartered Accountants and Statutory Auditor
London, United Kingdom

29 April 2018

Statement of Comprehensive Income

FOR THE YEAR ENDED 31 OCTOBER 2017

	Notes	2017 £	2016 £
CONTINUING ACTIVITIES			
Income			
Investment income		**0**	33
Other Income	6	**8**	21
Total income		**8**	54
Gain / (Loss) on investments held at fair value through profit or loss	13	**196,049**	(302,463)
Operating expenses		**(338,973)**	(248,611)
Operating (loss) from continuing activities	4	**(142,916)**	(551,020)
(Loss) before taxation from continuing activities		**(142,916)**	(551,020)
Tax	8	**-**	-
(Loss) for the year from continuing activities		**(142,916)**	(551,020)
(Loss) for the year from discontinued operations	9	**-**	(8,617)
(Loss) for the year and attributable to equity holders of the Company		**(142,916)**	(559,637)

Basic (loss) per share			
Equity holders			
Basic and diluted	10	**(0.43)p**	(5.00)p

The accounting policies and notes are an integral part of these financial statements.

Statement of Changes in Equity

FOR THE YEAR ENDED 31 OCTOBER 2017

	Share Capital £	Share Premium £	Capital Redemption Reserve £	Retained Earnings £	Total £
Balance at 1 November 2015	11,853,192	2,904,840	164,667	(14,330,348)	592,351
Issue of shares	5,285	94,715	-	-	100,000
Share issue costs	-	(2,000)	-	-	(2,000)
Total comprehensive loss for the year	-	-	-	(559,637)	(559,637)
As at 31 October 2016	**11,858,477**	**2,997,555**	**164,667**	**(14,889,985)**	**130,714**
Restatement re share consolidation:					
Adjustment re share consolidation	**23,217**	**(23,217)**	**-**	**-**	**-**
Total restated balance at 31 October 2016	**11,881,694**	**2,974,338**	**164,667**	**(14,889,985)**	**130,714**
Issue of shares	**56,250**	**583,500**	**-**	**-**	**639,750**
Total comprehensive loss for the year	**-**	**-**	**-**	**(142,916)**	**(142,916)**
As at 31 October 2017	**11,937,944**	**3,557,838**	**164,667**	**(15,032,901)**	**627,548**

The accounting policies and notes are an integral part of these financial statements.

Statement of Financial Position

AT 31 OCTOBER 2017

	Note	2017 £	2016 £
Non-current assets			
Property, plant and equipment	11	**0**	230
Investment in subsidiaries	16	**1**	1
Total non-current assets		**1**	231
Current assets			
Investments	13	**543,421**	152,624
Trade and other receivables	17	**9,875**	53,865
Cash and cash equivalents		**241,142**	49,448
Total current assets		**794,438**	255,937
Total assets		**794,439**	256,168
Equity			
Issued share capital	18	**11,937,944**	11,881,694
Share premium	18	**3,557,838**	2,974,338
Retained earnings		**(15,032,901)**	(14,889,985)
Capital redemption reserve		**164,667**	164,667
Total equity		**627,548**	130,714
Liabilities			
Current liabilities			
Trade and other payables	19	**166,891**	125,454
Total liabilities and current liabilities		**166,891**	125,454
Total equity and liabilities		**794,439**	256,168

These financial statements were approved and authorised for issue by the Board of Directors on 29 April 2018 and were signed on its behalf by:

Peter Redmond
Director

John May
Director

The accounting policies and notes are an integral part of these financial statements.

Statement of Cash Flows

FOR THE YEAR ENDED 31 OCTOBER 2017

	2017	2016
	£	£
Cash flows from operating activities		
(Loss)	**(142,916)**	(559,637)
Depreciation	**230**	827
Realised (gain)/loss on disposal of investments	**(44,205)**	3,996
Fair value movements in investments	**(151,844)**	298,647
Finance income	**(8)**	(33)
Decrease in receivables	**43,990**	22,475
Increase/(decrease) in payables	**41,437**	43,560
Net cash used in operating activities	**(253,316)**	(190,165)
Cash flows from investing activities		
Payments to acquire tangible fixed assets	**-**	-
Payments to acquire investments	**(520,000)**	-
Proceeds of disposal of investments	**325,252**	61,434
Proceeds from disposal of subsidiary operations	**-**	18,321
Finance income received net	**8**	33
Net cash used in investing activities	**(194,740)**	79,788
Cash flows from financing activities		
Net proceeds from share issues	**639,750**	98,000
Net cash from financing activities	**639,750**	98,000
Net increase / (decrease) in cash and cash equivalents during the year	**191,694**	(12,377)
Cash and cash equivalents at beginning of year	**49,448**	61,825
Cash and cash equivalents at end of year	**241,142**	49,448

1. ACCOUNTING POLICIES

General Information

Pires Investments plc ("the Company") was throughout the year an investing company with an investing policy adopted on 16 April 2012 and re-adopted on 21 March 2013.

The Company is a limited liability company incorporated and domiciled in England.

The address of the registered office is c/o Cooley Services Limited, Dashwood House, 69 Old Broad Street, London, EC2M 1QS.

These financial statements are prepared in Pounds Sterling, because that is the currency of the primary economic environment in which the Company operates.

Principal accounting policies

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

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and IFRIC interpretations as adopted by the European Union applicable to companies reporting under IFRSs. The financial statements have also been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRSs 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 later in these accounting policies.

Going Concern

The financial statements have been prepared on the going concern basis.

Any consideration of the foreseeable future involves making a judgement, at a particular point in time, about future events which are inherently uncertain. The ability of the Company to carry out its planned business objectives is dependent on its continuing ability to raise adequate capital from equity investors and/or the realisation of quoted investments.

At the time of approving these financial statements and after making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the Company's financial statements.

1. **ACCOUNTING POLICIES (continued)**

Adoption of new and revised Standards

At the date of authorisation of these financial statements, The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective and had not yet been adopted by the EU. The directors do not expect that the adoption of the Standards listed below will have a material impact on the financial statements of the Company in future periods.

IFRS 2	Amendments – Classification and measurement of share-based payments transactions
IFRS 4	Amendment – applying IFRS 9 "Financial Instruments" with IFRS 4 "Insurance Contracts"
IFRS 9	Financial instruments – incorporating requirements for classification and measurement, impairment, general hedge accounting and de-recognition.
IFRS 9	Amendment – Prepayment features with negative compensation
IFRS 10/ IAS 28	Amendments – Sale or contribution of assets between an investor and its associate or joint venture
IFRS 15	Revenue from contracts with customers, and the related clarifications
IFRS 16	Leases – recognition, measurement, presentation and disclosure
IFRS 17	Insurance contracts
IAS 40	Amendment – Transfers of investment property

Tangible assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.
The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Computer equipment is measured at cost less provision for depreciation. Depreciation is provided on these assets at 33 1/3% of cost per annum which is calculated to write off the cost less estimated residual value of the assets over their expected useful lives.

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods or services provided in the normal course of business, net of discounts, VAT and other sales-related taxes, and provisions for returns.

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 income is recognised at the time any market share price is adjusted to exclude the right to receive such dividend or, if there is no such adjustment, when received.

Deferred taxation

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Share based awards

The Company has applied the requirements of IFRS 2 Share based payment. All services received in exchange for the grant of any share based remuneration are measured at their fair values. These are indirectly determined by reference to the fair value of the share options/warrants awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Share based payments are ultimately recognised as an expense in the Statement of Comprehensive Income with a corresponding credit to the retained earning reserve in equity, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options/warrants expected to vest. Non-market vesting conditions are included in assumptions about the number of options/warrants that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options/warrants expected to vest differs from previous estimates. No adjustment is made to the expense or share issue cost recognised in prior periods if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium.

Where share options are cancelled, this is treated as an acceleration of the vesting period of the options. The amount that otherwise would have been recognised for services received over the remainder of the vesting period is recognised immediately within the Statement of Comprehensive Income.

Fair value is measured by use of the Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Investments in subsidiaries

Investments in subsidiaries are stated in the Company's statement of financial position at cost less any attributable impairment losses.

Financial assets

The Company classifies its financial assets into one of the following categories, cash and cash equivalents, loans and receivables and investments held at fair value through profit or loss depending on the purpose for which the asset was acquired. The Company has not classified any of its financial assets as held to maturity, held for trading or available for sale.

Cash and cash equivalents

Cash and cash equivalents comprise cash at hand and current and deposit balances at banks, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Loans and receivables

Loans and receivables from third parties are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.

1. ACCOUNTING POLICIES (continued)

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".

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Financial liabilities

Financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. All interest related charges are recognised as an expense in finance cost in the income statement using the effective interest rate method.

The Company's financial liabilities comprise trade and other payables.

Trade payables are recognised initially at their fair value and subsequently measured at amortised cost less settlement payments.

Equity instruments

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

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Share capital account represents the nominal value of the shares issued.

Retained earnings include all current and prior period results as disclosed in the Statement of Comprehensive Income.

2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATIONS

The preparation of the financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amounts, events or actions, actual results ultimately may differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATIONS (continued)

In certain circumstances, where fair value cannot be readily established, the Company is required to make judgements over carrying value impairment, and evaluate the size of any impairment required.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period. Judgements and estimates that may affect future periods are as follows:

GOING CONCERN

The Company's activities resulted in a loss of £142,916 (2016: loss of £559,637) and, as at 31 October 2017, the Company's cash balance was £241,142 (2016: £49,448).

The Company's administrative expenses in the 12-month period from the signing of these financial statements may exceed the Company's current cash balance, barring any fundraising activities undertaken by Pires. The Company, however, has a significant portfolio of listed investments, some of which could be easily realised to meet a possible shortfall if it were to arise. This provides more than sufficient headroom for Pires, as at the date of signing of these accounts.

FAIR VALUE OF FINANCIAL INSTRUMENTS

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.

3. BUSINESS AND GEOGRAPHICAL REPORTING

The Company's operations are solely in the United Kingdom. Its primary trading operation and activity is the rendering of services and so no segmental analysis of operations is included.

4. OPERATING LOSS

	2017	2016
	£	£
Operating loss from continuing activities is stated after charging:		
Depreciation of property, plant and equipment	**230**	827
Provision against VAT receivable	**68,157**	-

5. AUDITORS REMUNERATION

During the year the Company obtained the following services from the Company's auditor (in respect of continuing and discontinuing activities):

	2017	2016
	£	£
Fees payable to auditors for the audit of the Company's financial statements	**15,000**	14,500
Fees payable to the Company's auditor and its associates for other services:		
Other services relating to taxation	**1,500**	1,500
All other services	**-**	-
	16,500	16,000

6. OTHER INCOME

The Company's other income was:

	2017	2016
	£	£
Interest receivable	**8**	33
	8	33

7. REMUNERATION

The Company's employee benefit expense (for continuing activities in 2016) was:

	2017	2016
	£	£
Wages and salaries	**26,500**	26,250
Social security costs	**1,779**	1,725
	28,279	27,975

The average monthly number of persons employed by the Company, including Directors, during the year was as follows:

	2017	2016
	No	No
	3	3

Details of Directors' emoluments, are given in the Report on Remuneration. These disclosures form part of the audited financial statements of the Company. The Directors of the Company are considered to represent key management of the Company as defined by IFRS.

8. TAX EXPENSE

	2017	2016
	£	£
Factors affecting the tax charge for the year		
Loss on ordinary activities before taxation	**(142,916)**	(551,020)
(Loss)/ profit on ordinary activities before taxation multiplied by the standard rate of UK corporation tax of 19.4% (2016: 20%)	**(27,726)**	(110,204)
Effects of:		
Expenses not deductible for tax purposes net of income not subject to corporation tax	**137**	-
Tax depreciation in excess of book depreciation	**-**	(81)
Gain on disposal of capital assets	**0**	5,225
Tax losses arising in the year carried forward	**54,819**	2,429
Unrealised taxable losses not subject to tax in the period	**(27,230)**	102,631
Tax charge	**-**	-

The Company has tax losses available to carry forward against relevant future taxable income and profits of approximately £3.4 million (2016: £3.0 million) in respect of which no deferred tax asset has been recognised.

Where it is anticipated that future taxable profits will be available against which these losses will be utilised a deferred tax asset is recognised.

9. DISCONTINUED OPERATIONS

On 11 March 2016 the Company announced that it had disposed of the entire issued share capital of Ventec Renewable Energy Limited, a subsidiary of the Company, to Ambrosia Investments Limited. See Note 23 – Related party transactions.

The Company, prior to the disposal, obtained an independent valuation for Ventec which confirmed the directors' view that the subsidiary had nil economic value. Consideration for the disposal was £2 and the intercompany liabilities amounting to circa £45,000 were settled in cash.

The results of the discontinued operations, which have been included in the financial statements, were as follows:

Income statement

	2017	**2016**
Revenue	-	-
Expenses	**-**	**(8,617)**
Loss before tax	**-**	**(8,617)**
Attributable tax expense	-	-
Net loss attributable to discontinued operations	**-**	**(8,617)**

Balance sheet

	2017	**2016**
Investment in subsidiaries	**-**	**18,502**
Total non-current assets	**-**	**18,502**
Trade and other payables	**-**	**(63,500)**
Net liabilities	**-**	**(44,998)**

10. LOSS PER SHARE

	2017	2016
	£	£
Loss attributable to the owners of the Company		
Continuing Operations	**(142,916)**	(551,020)

	2017 No. of Shares	2016 No. of shares
Weighted average number of shares for calculating basic loss per share	**33,521,353**	11,400,805
	2017 Pence	2016 Pence
Basic and diluted loss per share		
Continuing Operations – basic and diluted	**(0.43)**	(5.00)

11. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment
Cost	**£**
At 1 November 2015	3,363
Additions during the year	-
At 1 November 2016	**3,363**
Additions during the year	**-**
At 31 October 2017	**3,363**
Depreciation	
At 1 November 2015	2,306
Charge for the year	230
Disposal during the year	-
At 1 November 2016	**3,133**
Charge for the year	**230**
As at 31 October 2017	**3,363**
Carrying amount	
As at 31 October 2017	**-**
At 31 October 2016	230

12. FAIR VALUE MEASUREMENT

The table below 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.

There were no transfers between Level 1 and Level 3 in 2017 or 2016.

13. INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

	2017	2016
	£	£
Investments at fair value brought forward	**152,624**	516,520
Purchase of investments	**520,000**	-
Investment disposals	**(281,047)**	(65,429)
Movement in investment holding	**151,844**	(298,467)
Balance	**543,421**	152,624
Categorised as		
Level 1 – quoted prices	**537,310**	130,401
Level 3 – Unquoted investments	**6,111**	22,223

Gains / (losses) on investments held at fair value through profit or loss		
Movement in investment holding gains	**151,844**	(298,467)
Realised gain / (loss)on disposal of investments	**44,205**	(3,996)
Net gain / (loss) on investments held at fair value through profit or loss	**196,049**	(302,463)

Unquoted investments (Level 3)

The value of the unquoted investments as at 31 October 2017 was £6,111 and comprised a holding in Evolution Energy E&P plc (previously named Shale Energy plc). Evolution Energy E&P plc is an unquoted public company whose focus is the acquisition or development of oil, gas or shale gas assets principally in the UK and USA. The holding is valued on the basis of evaluation of subsequent pre-IPO fundraising. The latest fundraising price and liquidity of private investors are reflected in determining the fair value of the investment holding. The Directors consider this value to be supported by information they have received over the course of the financial year.

14. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is coordinated by the Board of Directors, and focuses on actively securing the Company's short to medium term cash flows by minimising the exposure to financial markets.

The main risks the Company is exposed to through its financial instruments are credit risk, foreign currency risk, liquidity risk and market price risk.

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.

Credit risk

The Company's financial instruments, which are subject to credit risk, are cash and cash equivalents and loans and receivables. The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable financial institutions.

The Company's maximum exposure to credit risk is £241,142 (2016: £103,313) comprising cash and cash equivalents and loans and receivables.

Liquidity risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company manages this risk through maintaining a positive cash balance and controlling expenses and commitments. The Directors are confident that adequate resources exist to finance current operations.

Market price risk

The Company's exposure to market price risk mainly arises from potential movements in the fair value of its investments.
The Company's exposure to price risk on quoted investments is as follows:

Change in equity	**2017**	2016
	£	£
Increase in quoted investments by 10%	**53,731**	13,040
Decrease in quoted investments by 10%	**(53,731)**	(13,040)

15. FINANCIAL INSTRUMENTS

Financial assets by category:
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:

	2017	2016
	£	£

Financial assets:		
Fair value through profit or loss investments	**537,310**	130,401
Loans and receivables	**0**	40,895
Cash and cash equivalents	**241,142**	49,448
Total	**778,452**	220,744

Financial liabilities by category:
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:

	2017	2016
	£	£
Trade and other payables	**68,476**	53,171

16. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

Cost	**£**
At 1 November 2015	18,503
Disposals during the year	(18,502)
At 1 November 2016	**1**
Disposals during the year	-
Additions during the year	-
At 31 October 2017	**1**
Provision for diminution in value	
At 1 November 2015 and 1 November 2016	-
Disposals during the year	-
At 31 October 2017	**-**
Net book value	
At 31 October 2017	**1**
At 31 October 2016	**1**

At 31 October 2017 the subsidiaries were as follows:

Subsidiary undertaking	**Country of registration**	**Principal activity**	**Percentage holding**
Renewable Energies (Investments) Limited	UK	Dormant	100%

17. TRADE AND OTHER RECEIVABLES

	Company 2017	2016
	£	£
Other receivables	**-**	40,895
Prepayments and accrued income	**9,875**	12,970
	9,875	53,865

As described in note 14, the Directors do not consider credit risk to be material to the Company's operations. The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

18. ISSUED SHARE CAPITAL

	Number of shares	Nominal value £	Share premium £
Issued and fully paid:			
At 1 November 2015			
Ordinary shares of 0.1p each	2,321,659,864	**2,321,660**	2,904,840
Deferred shares of 5p each	136,171,197	**6,808,560**	-
Deferred shares of 4.9p each	55,570,856	**2,722,972**	-
		11,853,192	2,904,840
Ordinary shares issued in the year:			
Ordinary shares of 0.25p each	2,114,166	5,285	92,715
	2,323,774,030	**2,326,945**	2,997,555
Deferred shares of 5p each	136,171,197	**6,808,560**	-
Deferred shares of 4.9p each	55,570,856	**2,722,972**	-
At 31 October 2016		**11,858,477**	**2,997,555**

Restatement of prior year:

On 31 March 2016 shareholders approved a capital reorganisation under which:
(a) the ordinary shares of 0.1p each were sub-divided into one ordinary share of 0.001p each and one deferred share of 0.099p each;

Ordinary shares of 0.001p each – share reorganisation	2,321,659,864		
Deferred shares of 0.099p each – share reorganisation	2,321,659,864		

(b) the ordinary shares of 0.001p each were consolidated on the basis of one ordinary share of 0.25p for every shares of 0.001p each;

Ordinary shares of 0.25p each - consolidation	9,286,639	23,217	(23,217)
Total restated at 31 October 2016			
Ordinary shares of 0.25p each	9,286,639	23,217	
Ordinary shares of 0.25p each issued in the year	2,114,,166	5,285	
Ordinary shares of 0.25p each as at 31 October 2016	11,500,805	28,502	
Deferred shares of 0.099p each – share reorganisation	2,321,659,864	2,321,260	
Deferred shares of 5p each	136,171,197	6,808,560	-
Deferred shares of 4.9p each	55,570,856	2,722,972	-
Restated total at 31 October 2016		11,881,694	**2,974,338**

Ordinary shares issued in the year:

Ordinary shares of 0.25p each	17,500,000	43,750	453,500
Ordinary shares of 0.25p each	5,000,000	12,500	130,000
Current ordinary shares at 31 October 2017	**33,900,805**	**84,752**	

Deferred shares of 0.099p each – share reorganisation	2,321,659,864	**2,321,660**	-
Deferred shares of 5p each	136,171,197	**6,808,560**	-
Deferred shares of 4.9p each	55,570,856	**2,722,972**	-
Total at 31 October 2017		**11,937,944**	**3,557,838**

18. ISSUED SHARE CAPITAL (continued)

The holders of the ordinary shares are entitled to one vote for each share held on a poll. They are also entitled to receive dividends declared in proportion to the number of shares held (subject to any right of another class, and none currently exists, to receive a preferred dividend) and, on a return of capital and subject to the limited participation rights of the holders of the two classes of deferred shares detailed below and any subsequently created class of shares with preferential rights, to participate in such return in proportion to the number of shares held.
Neither class of deferred shares have any voting or dividend rights and only have rights to a repayment of the nominal value of the shares and then only after a £100,000 per ordinary share has been returned to each holder of ordinary shares. The Company has the right to acquire for cancellation each entire class of deferred share for an aggregate consideration of 1p and the Company intends to exercise such right in due course.

There were no outstanding options however warrants over the ordinary share capital of the Company were issued during the year and were outstanding as at 31 October 2017 as detailed below. (2016: Nil):

	Exercise price for the year ended 31 October 2017	**Number of shares to be issued upon exercise for the year ended 31 October 2017**	**Exercise price for the year ended 31 October 2016**	**Number of shares to be issued upon exercise for the year ended 31 October 2016**
	£		£	
Outstanding at beginning of period	**-**	**-**	-	-
Arising during the period	**-**	**11,250,000**	-	-
Lapsed during the period	**-**	**-**	-	-
Outstanding at end of period	**-**	**11,250,000**	-	-
Exercisable at end of period	**-**	**-**	-	-

The warrants on 8,750,000 shares have an exercise price of 4.25 pence each, and are exercisable for a period of 18 months from the date of issue, the last exercise date being 2 May 2018.

The warrants on 2,500,000 shares have an exercise price of 4.25 pence each, and are exercisable for a period of 18 months from the date of issue, the last exercise date being 25 May 2018.

19. TRADE AND OTHER PAYABLES

	Company 2017	2016
	£	£
Trade payables	**64,229**	48,570

Other payables	**3,646**	4,199
Accruals and deferred income	**98,415**	72,283
Taxation and social security	**601**	402
	166,891	125,454

The directors considers the carrying amounts of trade payables to be a reasonable approximation of their fair value.

20. CONTINGENT LIABILITES

At 31 October 2017 and 2016, the Company had no material contingent liabilities.

21. CAPITAL COMMITMENTS

At 31 October 2017 and 2016, the Company had no capital commitments authorised or contracted by the Directors.

22. RELATED PARTY TRANSACTIONS

Ultimate controlling party

The Directors do not consider there to be a single ultimate controlling party.

Remuneration of key management personnel

The remuneration of the directors, who are the key management personnel of the company, is set out below as specified in IAS 24: *Related Party Disclosure:*

Salaries and Fees:

	2017 **£**	2016 £
Fees for consultancy services supplied by Catalyst Corporate Consultants Limited, a company beneficially controlled by Peter Redmond and of which he is a director	**18,000**	30,000
Fees for consultancy services supplied by City and Westminster Corporate Finance LLP, a company beneficially owned by John May	**24,332**	25,000
Fees for consultancy services supplied by Placid P. Gonzales & Associates, a company beneficially owned by Placid Gonzales and of which he is a director.	**10,866**	15,000
Fees for consultancy services supplied by ACL Limited, a company of which Nicholas Lee is a director	**8,500**	-

24. POST BALANCE SHEET EVENTS

On 9 March 2018 the Company exercised its warrants to acquire 1,000,000 shares in ECO Atlantic at a cost of £176,000.