



**Horwath DSP Limited**  
Member Crowe Horwath International  
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## **FORAMONIO LIMITED**

REPORT AND FINANCIAL STATEMENTS  
31 December 2015

# FORAMONIO LIMITED

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## REPORT AND FINANCIAL STATEMENTS

31 December 2015

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# FORAMONIO LIMITED

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## BOARD OF DIRECTORS AND OTHER OFFICERS

**Board of Directors:**

Demetris Shacallis  
Achilleas Malliotis

**Company Secretary:**

Andreas Petasis  
28 Octovriou Street,  
Office/flat 102,  
2012, Nicosia, Cyprus

**Independent Auditors:**

Horwath DSP Limited  
Certified Public Accountants and Registered Auditors  
Photiades Business Centre  
1st floor, 8 Stassinou Avenue  
P.O. Box 22545  
1522 Nicosia

**Registered office:**

41 Arch. Makarios Avenue,  
1065 Nicosia  
P.O. Box 27236  
Cyprus

# FORAMONIO LIMITED

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## REPORT OF THE BOARD OF DIRECTORS

The Board of Directors presents its report and audited financial statements of the Company for the year ended 31 December 2015.

### **Principal activities**

The principal activity of the Company, which is unchanged from last year, is the trading of properties.

### **Review of current position, future developments and significant risks**

The Company's development to date, financial results and position are reflected in these financial statements. The Board of Directors is making every effort to reduce the losses incurred.

### **Results**

The Company's results for the year are set out on page 5.

### **Dividends**

The Board of Directors does not recommend the payment of a dividend.

### **Share capital**

There were no changes in the share capital of the Company during the year under review.

### **Board of Directors**

The members of the Company's Board of Directors at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the year ended 31 December 2015.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors

### **Independent Auditors**

The Independent Auditors, Horwath DSP Limited, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,



Demetris Shacallis  
Director

Nicosia, 31 August 2016

## **Independent auditor's report**

### **To the Members of Foramonio Limited**

#### **Report on the financial statements**

We have audited the accompanying financial statements of Foramonio Limited (the "Company"), which comprise the statement of financial position as at 31 December 2015, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Board of Directors' responsibility for the financial statements*

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of Foramonio Limited as at 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

## **Independent auditor's report (continued)**

### **To the Members of Foramonio Limited**

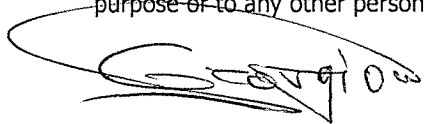
#### **Report on other legal requirements**

Pursuant to the additional requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 and 2013, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of these books.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Cyprus Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors is consistent with the financial statements.

#### **Other matter**

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 34 of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 and 2013 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.



Xenia Georgiou FCA  
Certified Public Accountant and Registered Auditor  
for and on behalf of  
**Horwath DSP Limited**  
**Certified Public Accountants and Registered Auditors**

Nicosia, 31 August 2016

## FORAMONIO LIMITED

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### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

31 December 2015

	Note	2015 €	2014 €
Administration expenses		<u>(2.420)</u>	(475)
<b>Operating loss</b>		<u>(2.420)</u>	(475)
Finance costs	4	<u>(14.237)</u>	(9.582)
<b>Loss before tax</b>		<b>(16.657)</b>	(10.057)
Tax	5	<u>-</u>	-
<b>Net loss for the year</b>		<b>(16.657)</b>	(10.057)
<b>Other comprehensive income</b>		<u>-</u>	-
<b>Total comprehensive income for the year</b>		<u><b>(16.657)</b></u>	<u>(10.057)</u>

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The notes on pages 9 to 12 form an integral part of these financial statements.


# FORAMONIO LIMITED

## STATEMENT OF FINANCIAL POSITION

31 December 2015

	Note	2015 €	2014 €
<b>ASSETS</b>			
<b>Current assets</b>			
Inventories	6	<u>1.433.106</u>	<u>1.389.277</u>
<b>Total assets</b>		<u><b>1.433.106</b></u>	<u><b>1.389.277</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	7	<u>1.000</u>	<u>1.000</u>
Accumulated losses		<u>(28.894)</u>	<u>(12.237)</u>
<b>Total equity</b>		<u><b>(27.894)</b></u>	<u><b>(11.237)</b></u>
<b>Current liabilities</b>			
Trade and other payables	9	<u>4.481</u>	<u>2.616</u>
Borrowings	8	<u>1.456.519</u>	<u>1.397.898</u>
<b>Total equity and liabilities</b>		<u><b>1.433.106</b></u>	<u><b>1.389.277</b></u>

On 31 August 2016 the Board of Directors of Foramonio Limited authorised these financial statements for issue.

  
.....  
Demetris Shacallis  
Director

  
.....  
Achilleas Malliotis  
Director

The notes on pages 9 to 12 form an integral part of these financial statements.



# FORAMONIO LIMITED

## STATEMENT OF CHANGES IN EQUITY

31 December 2015

	Share capital €	Accumulated losses €	Total €
<b>Balance at 1 January 2014</b>	<b>1.000</b>	<b>(2.180)</b>	<b>(1.180)</b>
<b>Comprehensive income</b>			
Net loss for the year	-	(10.057)	(10.057)
<b>Balance at 31 December 2014/ 1 January 2015</b>	<b>1.000</b>	<b>(12.237)</b>	<b>(11.237)</b>
<b>Comprehensive income</b>			
Net loss for the year	-	(16.657)	(16.657)
<b>Balance at 31 December 2015</b>	<b>1.000</b>	<b>(28.894)</b>	<b>(27.894)</b>

Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 17% will be payable on such deemed dividends to the extent that the ultimate shareholders are both Cyprus tax resident and Cyprus domiciled. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

The notes on pages 9 to 12 form an integral part of these financial statements.

# FORAMONIO LIMITED

## CASH FLOW STATEMENT

31 December 2015

	Note	2015 €	2014 €
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Loss before tax</b>		<b>(16.657)</b>	(10.057)
Adjustments for:			
Interest expense	4	<u>14.237</u>	9.577
		<b>(2.420)</b>	(480)
<b>Changes in working capital:</b>			
Increase in inventories		<b>(43.829)</b>	(1.389.277)
Decrease in receivables		-	1.000
Increase in trade and other payables		<u>1.865</u>	436
<b>Cash used in operations</b>		<u><b>(44.384)</b></u>	<u>(1.388.321)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest paid		<u>(14.237)</u>	(9.577)
<b>Net cash used in financing activities</b>		<u><b>(14.237)</b></u>	<u>(9.577)</u>
<b>Net decrease in cash and cash equivalents</b>		<b>(58.621)</b>	(1.397.898)
Cash and cash equivalents at beginning of the year		<u><b>(1.397.898)</b></u>	-
<b>Cash and cash equivalents at end of the year</b>		<u><b>(1.456.519)</b></u>	<u>(1.397.898)</u>

The notes on pages 9 to 12 form an integral part of these financial statements.

# FORAMONIO LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

### 1. Incorporation and principal activities

#### Country of incorporation

The Company Foramonio Limited (the "Company") was incorporated in Cyprus on 2 May 2013 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 41 Arch. Makarios Avenue, Nicosia, 1065, Cyprus.

#### Principal activities

The principal activity of the Company, which is unchanged from last year, is the trading of properties.

### 2. Significant accounting policies

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

#### Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap.113. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

#### Adoption of new and revised IFRSs

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2015. This adoption did not have a material effect on the accounting policies of the Company.

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

#### Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

#### Dividends

Dividend distribution to the Company's shareholders is recognised in the Company's financial statements in the year in which they are approved by the Company's shareholders.

#### Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

# FORAMONIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

### 2. Significant accounting policies (continued)

#### Financial instruments (continued)

##### Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise deposits held at call with banks and bank overdrafts. In the statement of financial position, bank overdrafts are included in borrowings in current liabilities.

#### Inventories

Inventories include land under development and are stated at the lower of cost and net realisable value. The cost of land under development comprise the cost of acquiring the land, the transfer fees and the development costs.

#### Share capital

Ordinary shares are classified as equity.

### 3. Expenses by nature

	2015	2014
	€	€
Auditors' remuneration	2.023	2.023
Auditors' remuneration - prior years	(238)	-
Annual levy	350	350
Administration expenses	80	2.777
Reimbursement of expenses	(4.760)	(4.675)
Other professional fees	4.760	-
Immovable property tax	205	-
<b>Total expenses</b>	<b>2.420</b>	<b>475</b>

### 4. Finance costs

	2015	2014
	€	€
Interest expense	14.237	9.577
Sundry finance expenses	-	5
	<b>14.237</b>	<b>9.582</b>

### 5. Tax

The tax on the Company's results before tax differs from the theoretical amount that would arise using the applicable tax rates as follows:

	2015	2014
	€	€
Loss before tax	(16.657)	(10.057)
Tax calculated at the applicable tax rates	(2.082)	(1.257)
Tax effect of expenses not deductible for tax purposes	69	44
Tax effect of tax loss for the year	2.013	1.213
<b>Tax charge</b>	<b>-</b>	<b>-</b>

# FORAMONIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

### 5. Tax (continued)

The corporation tax rate is 12,5%.

Under certain conditions, interest income may be subject to defence contribution at the rate of 30%. In such cases, this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

Due to tax losses sustained in the year, no tax liability arises on the Company. Under current legislation, tax losses may be carried forward and be set off against taxable income of the five succeeding years.

### 6. Inventories

	2015 €	2014 €
Land for resale	<u>1.433.106</u>	<u>1.389.277</u>
	<u>1.433.106</u>	<u>1.389.277</u>

Inventories are stated at cost.

### 7. Share capital

	2015 Number of shares	2015 €	2014 Number of shares	2014 €
<b>Authorised</b> Ordinary shares of €1 each	<u>5.000</u>	<u>5.000</u>	<u>5.000</u>	<u>5.000</u>
<b>Issued and fully paid</b> Balance at 1 January	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
<b>Balance at 31 December</b>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>

### 8. Borrowings

	2015 €	2014 €
<b>Current borrowings</b> Bank overdrafts	<u>1.456.519</u>	<u>1.397.898</u>

### 9. Trade and other payables

	2015 €	2014 €
Accruals	2.024	2.262
Other creditors	<u>2.457</u>	<u>354</u>
	<u>4.481</u>	<u>2.616</u>

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

# **FORAMONIO LIMITED**

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## **NOTES TO THE FINANCIAL STATEMENTS**

31 December 2015

### **10. Events after the reporting period**

There were no material events after the reporting period, which have a bearing on the understanding of the financial statements.

**Independent auditor's report on pages 3 and 4**

# FORAMONIO LIMITED

41 Arch. Makarios Avenue,  
1065 Nicosia  
P.O. Box 27236  
Cyprus

Horwath DSP Limited  
Certified Public Accountants and Registered Auditors  
Photiades Business Centre  
1st floor, 8 Stassinos Avenue  
P.O. Box 22545  
1522 Nicosia

31 August 2016

## Management representation letter for the audit of the year ended 31 December 2015

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of Foramonio Limited (the "Company") for the year ended 31 December 2015 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the Company as at 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

By a resolution of the Board of Directors, passed today, we are directed to confirm to you, in respect of the financial statements of the Company for the year ended 31 December 2015, the following:

We confirm, to the best of our knowledge and belief and having made appropriate inquiries of other Directors and officials and staff of the Company as we considered necessary for the purpose of appropriately informing ourselves, that we can make the following representations to you.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. Each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that you are aware of that information.

### I. Financial statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, for the preparation of the financial statements in accordance with IFRSs as adopted by the EU and the requirements of the Cyprus Companies Law, Cap. 113, which give a true and fair view in accordance therewith, and for making accurate representations to you. We have approved the financial statements.
- 2) We confirm that we have reviewed the Company's accounting policies and estimation techniques and, having regard to the possible alternative policies and techniques, the accounting policies and estimation techniques selected for use in the preparation of the financial statements are the most appropriate to give a true and fair view for the Company's particular circumstances, as required by International Accounting Standard IAS1: Presentation of financial statements.
- 3) Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- 4) We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
- 5) Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of IFRSs as adopted by the EU.

**6) Litigation**

- i) We confirm that all known, actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in the financial statements in accordance with IFRSs as adopted by the EU.
- ii) We are not aware of any pending or threatened litigation, proceedings, hearing or claims negotiations, which may result in significant loss to the Company

**7) Events after the reporting period**

All events subsequent to the date of the financial statements and for which IFRSs as adopted by the EU require adjustment or disclosure have been adjusted or disclosed in the financial statements. Other than as described in the financial statements, there have been no circumstances or events subsequent to the period end, which require adjustment of or disclosure in the financial statements or in the notes thereto.

**8) Uncorrected misstatements**

We confirm that the financial statements are free of material misstatements, including omissions. We believe that the effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements as a whole.

**9) Going concern**

We confirm that, having considered our expectations and intentions for the next twelve months, and the availability of working capital, the Company is a going concern. We further confirm that the disclosures in the accounting policies are an accurate reflection of the reasons for our consideration that the financial statements should be drawn up on a going concern basis.

**II. Information provided**

**10) Accounting records**

- i) All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken have been properly reflected and recorded in the accounting records. All other records and related information which might affect the truth and fairness of, or necessary disclosure in, the financial statements, including minutes of Directors, shareholders and relevant management meetings, have been made available to you and no such information has been withheld. We have also provided unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- ii) All transactions undertaken by the Company have been properly reflected in the accounting records and the financial statements.

**11) Related parties**

We confirm, that we have disclosed to you the identity of the Company's related parties and all the related party relationships and transactions of which we are aware. We also confirm that we have appropriately accounted for and disclosed in the financial statements all related party transactions relevant to the Company and that we are not aware of any other such matters required to be disclosed in the financial statements under International Accounting Standard 24 'Related Party Disclosures'.

**12) Fraud**

- i) We acknowledge as Directors that we are responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud and error.
- ii) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.



- iii) We have disclosed to you all information relating to any fraud or suspected fraud known to us that may have affected the Company (regardless of the source or form and including, without limitation, allegations by "whistle-blowers"), and involves management, employees who have significant roles in internal control or others where fraud could have a material effect on the financial statements. We have also disclosed any allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others, that could affect the Company's financial statements.

### **13) Laws and regulations**

- i) We confirm that we are not aware of any instances of actual or potential breaches of or non-compliance with laws and regulations that are central to the Company's ability to conduct its business or that could have a material effect on the financial statements.
- ii) We confirm that we are not aware of any irregularities, or allegations of irregularities including fraud, involving management or employees who have a significant role in the accounting and internal control systems, or that could have a material effect on the financial statements.

### **14) Contractual arrangements / agreements**

- i) All contractual arrangements entered into by the Company with third parties have been properly reflected in the accounting records or, where material (or potentially material) to the financial statements, have been disclosed to you.
  - ii) The Company has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
  - iii) There are no other agreements not in the ordinary course of business.
- 15) The Company has satisfactory title to all assets and there are no liens or encumbrances on the Company's assets, except for those disclosed in the financial statements.

## **III. Other representations**

### **Assets and liabilities**

- 16) We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- 17) In our opinion on realization in the ordinary course of business, the current assets in statement of financial position are expected to produce no less than the carrying amounts at which they are stated.
- 18) We have no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realizable value.

### **Provisions**

- 19) Full provision has been made for all liabilities at the reporting date including guarantees, commitments and contingencies where the items are expected to result in significant loss to the Company. Other such items, where in our opinion provision is unnecessary, have been appropriately disclosed in the financial statements.

### **Disclosures**

- 20) We have recorded or disclosed, as appropriate, all capital stock repurchase options or agreements, and capital stock reserved for options, warrants, conversions and other requirements.
- 21) We have recorded or disclosed, as appropriate, all arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and lines of credit or similar arrangements.
- 22) We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have disclosed in the notes to the financial statements all guarantees that we have given to third parties, including oral guarantees made by the Company on behalf of an affiliate, Director, officer or any other third party.

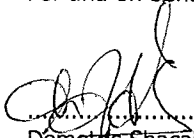
**23) Taxation**

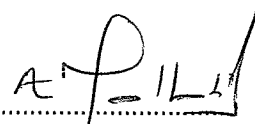
We have provided you with all information related to all significant income tax uncertainties of which we are aware. We have also provided you with access to all opinions and analyses that relate to positions we have taken in regard to significant income tax matters.

**24) Transactions with Directors/officers**

Except as disclosed in the financial statements, no other transactions involving Directors, officers and others requiring disclosure in the financial statements under the Companies Law, Cap. 113 have been entered into.

Yours faithfully,  
For and on behalf of the Board of Directors

  
.....  
Demetris Shacallis  
Director

  
.....  
Achilleas Malliotis  
Director