

# **BCC Financial Limited**

## **Report and financial statements 31 December 2015**

### **Contents**

	<b>Page</b>
<b>Board of Directors and other officers</b>	<b>1</b>
<b>Independent auditor's report</b>	<b>2 - 3</b>
<b>Statement of comprehensive income</b>	<b>4</b>
<b>Balance sheet</b>	<b>5</b>
<b>Statement of changes in equity</b>	<b>6</b>
<b>Statement of cash flows</b>	<b>7</b>
<b>Notes to the financial statements</b>	<b>8 - 27</b>

# **BCC Financial Limited**

## **Board of Directors and other officers**

### **Board of Directors**

Panagiota Constantinou  
Maria Damianou  
Jonathan Jacob Van der Linden (resigned 2 February 2016)

### **Company Secretary**

**Meritservus Secretaries Ltd**  
Eftapaton Court  
256, Makarios Avenue  
CY-3301, Limassol  
Cyprus

### **Registered office**

6 Vasili Vryonidi  
Gala Court Chambers  
CY-3095 Limassol  
Cyprus



## **Independent auditor's report**

### **To the Members of BCC Financial Limited 2015**

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

We have audited the accompanying financial statements of BCC Financial Limited 2015 (the "Company"), which are presented on pages 4 to 27 and comprise the balance sheet as at 31 December 2015, and the statements of 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 BCC Financial Limited 2015 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.

---

*PricewaterhouseCoopers Ltd, City House, 6 Karaiskakis Street, CY-3032 Limassol, Cyprus*  
*P O Box 53034, CY-3300 Limassol, Cyprus*  
*T: +357 - 25 555 000, F: +357 - 25 555 001, [www.pwc.com/cy](http://www.pwc.com/cy)*

PricewaterhouseCoopers Ltd is a member firm of PricewaterhouseCoopers International Ltd, each member firm of which is a separate legal entity. PricewaterhouseCoopers Ltd is a private company registered in Cyprus (Reg. No. 143594). A list of the company's directors including for individuals the present name and surname, as well as any previous names and for legal entities the corporate name, is kept by the Secretary of the company at its registered office at 3 Themistocles Dervis Street, 1066 Nicosia and appears on the company's web site. Offices in Nicosia, Limassol and Paphos.



*Emphasis of matter*

We draw attention to Note 2 to the financial statements which indicates that the Company's Board of Directors intend to initiate procedures for the liquidation of the Company within 12 months from the audit opinion date. These financial statements have therefore been prepared using a liquidation basis of accounting. Our opinion is not qualified in respect of this matter.

**Report on other legal requirements**

Pursuant to the additional requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 to 2016, 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.

**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 to 2016 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.

A handwritten signature in blue ink, appearing to read 'Theodoros Stylianou', is written over a faint, illegible printed name.

Theodoros Stylianou  
Certified Public Accountant and Registered Auditor  
for and on behalf of

PricewaterhouseCoopers Limited  
Certified Public Accountants and Registered Auditors

Limassol, 9 November 2016

# BCC Financial Limited

## Statement of comprehensive income

	Note	2015 €	2014 €
Loan interest income	4	1.571.652	2.681.573
Loan interest expense		<u>(1.021.155)</u>	<u>(2.202.489)</u>
<b>Net interest income</b>		<b>550.497</b>	<b>479.084</b>
Administrative expenses		(484.219)	(100.861)
Other income	6	1.455	7.395
Other losses - net	7	<u>(825.988)</u>	<u>(237.188)</u>
<b>Operating (loss)/profit</b>		<b>(758.255)</b>	<b>148.430</b>
Finance costs	9	-	(222)
<b>(Loss)/profit before income tax</b>		<b>(758.255)</b>	<b>148.208</b>
Income tax expense	10	<u>(238.895)</u>	<u>(19.235)</u>
<b>(Loss)/profit and total comprehensive (loss)/income for the year</b>		<b><u>(997.150)</u></b>	<b><u>128.973</u></b>

The notes on pages 8 to 27 are an integral part of these financial statements.




# BCC Financial Limited

## Balance sheet at 31 December 2015

	Note	2015 €	2014 €
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13	-	2.223
Intangible assets	14	-	3.789
Loans receivable	15	-	<u>5.783.511</u>
		-	<u>5.789.523</u>
<b>Current assets</b>			
Loans receivable	15	<b>37.347.168</b>	80.045.584
Other receivables	16	<b>25.863</b>	1.708.878
Tax refundable		<b>8.890</b>	8.890
Cash and bank balances	17	-	<u>927.166</u>
		<b><u>37.381.921</u></b>	<u>82.690.518</u>
<b>Total assets</b>		<b><u>37.381.921</u></b>	<u>88.480.041</u>
<b>Equity and liabilities</b>			
<b>Capital and reserves</b>			
Share capital	18	<b>18.810</b>	18.810
Share premium	18	<b>998.290</b>	998.290
Retained earnings		<b><u>1.455.545</u></b>	<u>2.452.695</u>
<b>Total equity</b>		<b><u>2.472.645</u></b>	<u>3.469.795</u>
<b>Non-current liabilities</b>			
Borrowings	19	-	<u>68.286.174</u>
<b>Current liabilities</b>			
Other payables	20	<b>24.032</b>	30.089
Current income tax liabilities		<b>238.895</b>	-
Borrowings	19	<b>34.646.349</b>	15.434.367
Derivative financial instruments	21	-	<u>1.259.616</u>
		<b><u>34.909.276</u></b>	<u>16.724.072</u>
<b>Total liabilities</b>		<b><u>34.909.276</u></b>	<u>85.010.246</u>
<b>Total equity and liabilities</b>		<b><u>37.381.921</u></b>	<u>88.480.041</u>

On 9 November 2016 the Board of Directors of BCC Financial Limited authorised these financial statements for issue.

  
Panagiota Constantinou, Director

  
Maria Damianou, Director

The notes on pages 8 to 27 are an integral part of these financial statements.

# BCC Financial Limited

## Statement of changes in equity for the year ended 31 December 2015

	Share capital €	Share premium €	Retained earnings €	Total €
<b>Balance at 1 January 2014</b>	<u>18.810</u>	<u>998.290</u>	<u>2.323.722</u>	<u>3.340.822</u>
<b>Comprehensive income</b>				
Profit for the year	-	-	128.973	128.973
<b>Balance at 31 December 2014/1 January 2015</b>	<u>18.810</u>	<u>998.290</u>	<u>2.452.695</u>	<u>3.469.795</u>
<b>Comprehensive income</b>				
Loss for the year	-	-	(997.150)	(997.150)
<b>Balance at 31 December 2015</b>	<u>18.810</u>	<u>998.290</u>	<u>1.455.545</u>	<u>2.472.645</u>

The notes on pages 8 to 27 are an integral part of these financial statements.

# BCC Financial Limited

## Statement of cash flows

	Note	2015 €	2014 €
<b>Cash flows from operating activities</b>			
(Loss)/profit before income tax		(758.255)	148.208
Adjustments for:			
Depreciation of property, plant and equipment	13	2.223	2.022
Amortisation of intangible assets	14	3.789	3.788
Impairment of loan receivable		409.477	5.324
Net foreign exchange (losses)/gains		555.981	(1.712.579)
Interest income	4, 6	(1.573.107)	(2.688.968)
Interest expense	9	1.021.155	2.202.711
Gain on settlement of derivative financial instrument		(926.212)	-
		<u>(1.264.949)</u>	<u>(2.039.494)</u>
Changes in working capital:			
Other receivables		(6.947)	13.497
Other payables		(6.057)	(37.143)
Settlement of derivative financial instruments		(333.404)	1.259.616
Restricted cash		1.689.962	(1.689.962)
<b>Cash generated from/(used in) operations</b>		<u>78.605</u>	<u>(2.493.486)</u>
Income tax paid		-	(83.819)
<b>Net cash generated from/(used in) operating activities</b>		<u>78.605</u>	<u>(2.577.305)</u>
<b>Cash flows from investing activities</b>			
Interest received		1.455	7.395
<b>Net cash from investing activities</b>		<u>1.455</u>	<u>7.395</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		30.331.693	24.955.687
Repayments of borrowings		(79.104.340)	(15.439.657)
Loans granted		162.285.590	(33.160.086)
Loans repayments received		210.056.409	22.602.460
<b>Net cash used in financing activities</b>		<u>(1.001.828)</u>	<u>(1.041.596)</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(921.768)</u>	<u>(3.611.506)</u>
<b>Cash and cash equivalents at beginning of year</b>		<u>927.166</u>	<u>4.507.444</u>
Foreign exchange translation		(5.398)	31.228
<b>Cash and cash equivalents at end of year</b>	17	<u>-</u>	<u>927.166</u>

The notes on pages 8 to 27 are an integral part of these financial statements.