

BCC Financial Limited

Report and financial statements 3 November 2016

Contents

	Page
Board of Directors and other officers	1
Independent auditor's report	2 - 3
Statement of comprehensive income	4
Balance sheet	5
Statement of changes in equity	6
Statement of cash flows	7
Notes to the financial statements	8 - 25

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

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 25 and comprise the balance sheet as at 3 November 2016, and the statements of comprehensive income, changes in equity and cash flows for the period 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 as at 3 November 2016, and of its financial performance and its cash flows for the period 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

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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. 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 and we have obtained appropriate audit reports, sufficient for the purpose of our audit from the Company's branches that we have not visited.
- 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 positioned above the printed name.

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

PricewaterhouseCoopers Limited
Certified Public Accountants and Registered Auditors

Limassol, 29 December 2016

BCC Financial Limited

Statement of comprehensive income

		Period to 03 November 2016	2015
	Note	€	€
Loan interest income	4	280.768	1.571.652
Loan interest expense		<u>(159.370)</u>	<u>(1.021.155)</u>
Net interest income		121.398	550.497
Administrative expenses		(223.509)	(484.219)
Other income	6	357	1.455
Other gains/(losses) - net	7	<u>162.805</u>	<u>(825.988)</u>
Profit/(loss) before income tax		61.051	(758.255)
Income tax expense	9	<u>(11.776)</u>	<u>(238.895)</u>
Profit/(loss) and total comprehensive income/(loss) for the year		<u>49.275</u>	<u>(997.150)</u>

The notes on pages 8 to 25 are an integral part of these financial statements.

BCC Financial Limited

Balance sheet at 3 November 2016

	Note	2016 €	2015 €
Assets			
Current assets			
Loans receivable	15	-	37.347.168
Other receivables	16	1.017.100	25.863
Tax refundable		-	8.890
		<u>1.017.100</u>	<u>37.381.921</u>
Total assets		<u>1.017.100</u>	<u>37.381.921</u>
Equity and liabilities			
Capital and reserves			
Share capital	17	18.810	18.810
Share premium	17	998.290	998.290
Retained earnings		-	1.455.545
Total equity		<u>1.017.100</u>	<u>2.472.645</u>
Current liabilities			
Other payables	19	-	24.032
Current income tax liabilities		-	238.895
Borrowings	18	-	<u>34.646.349</u>
		-	<u>34.909.276</u>
Total equity and liabilities		<u>1.017.100</u>	<u>37.381.921</u>

On 29 December 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 25 are an integral part of these financial statements.

BCC Financial Limited

Statement of changes in equity for the year ended 3 November 2016

	Share capital €	Share premium €	Retained earnings €	Total €
Balance at 1 January 2015	<u>18.810</u>	<u>998.290</u>	<u>2.452.695</u>	<u>3.469.795</u>
Comprehensive income				
Loss for the year	-	-	(997.150)	(997.150)
Balance at 31 December 2015/1 January 2016	<u>18.810</u>	<u>998.290</u>	<u>1.455.545</u>	<u>2.472.645</u>
Comprehensive income				
Profit for the period	-	-	49.275	49.275
Transactions with owners				
Dividends paid	-	-	(1.504.820)	(1.504.820)
Balance at 3 November 2016	<u>18.810</u>	<u>998.290</u>	<u>-</u>	<u>1.017.100</u>

The notes on pages 8 to 25 are an integral part of these financial statements.

BCC Financial Limited

Statement of cash flows

	Note	2016 €	2015 €
Cash flows from operating activities		61.051	(758.255)
Profit/(loss) before income tax			
Adjustments for:			
Depreciation of property, plant and equipment	13	-	2.223
Amortisation of intangible assets	14	-	3.789
Impairment of loan receivable		190.324	409.477
Net foreign exchange (losses)/gains		(460.511)	555.981
Interest income	4,6	(280.768)	(1.573.107)
Interest expense	5	159.370	1.021.155
Gain on settlement of derivative financial instrument		-	(926.212)
Impairment of other receivables		5.963	-
		(324.571)	(1.264.949)
Changes in working capital:			
Other receivables		(1.009.056)	(6.947)
Other payables		(23.954)	(6.057)
Settlement of derivative financial instruments		-	(333.404)
Restricted cash		-	<u>1.689.962</u>
Net cash (used in)/generated from operating activities		<u>(1.357.581)</u>	<u>78.605</u>
Cash flows from investing activities		357	1.455
Interest received			
Net cash from investing activities		<u>357</u>	<u>1.455</u>
Cash flows from financing activities		5.598.271	30.331.693
Proceeds from borrowings		(38.050.825)	(79.104.340)
Repayments of borrowings		(63.799.998)	(162.285.590)
Loans granted		99.114.596	210.056.409
Loans repayments received		(1.504.820)	-
Dividends paid	10		
Net cash from/(used in) financing activities		<u>1.357.224</u>	<u>(1.001.828)</u>
Net decrease in cash and cash equivalents		-	(921.768)
Cash and cash equivalents at beginning of year		-	927.166
Foreign exchange translation		-	<u>(5.398)</u>
Cash and cash equivalents at end of year		<u>-</u>	<u>-</u>

The notes on pages 8 to 25 are an integral part of these financial statements.