

RNS Number : 4765M
Pires Investments PLC
30 April 2018

Pires Investments plc

("Pires" or the "Company")

Results for the year to 31 October 2017

The Board is pleased to announce the audited results of Pires for the year ended 31 October 2017.

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, again 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 but 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

STATEMENT OF COMPREHENSIVE INCOME

	2017	2016
	£	£
CONTINUING ACTIVITIES		
Income		
Investment income	-	33
Other Income	8	21
Total income	8	54
Gain / (Loss) on investments held at fair value through profit or loss	196,049	(302,463)

Operating expenses	(338,973)	(248,611)
Operating (loss) from continuing activities	(142,916)	(551,020)
(Loss) before taxation from continuing activities	(142,916)	(551,020)
Tax	-	-
(Loss) for the year from continuing activities	(142,916)	(551,020)
(Loss) for the year from discontinued operations	-	(8,617)
(Loss) for the year and attributable to equity holders of the Company	(142,916)	(559,637)
Loss per share		
Equity holders		
Basic and diluted	(0.43)p	(5.0)p

STATEMENT OF CHANGES IN EQUITY

	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

STATEMENT OF FINANCIAL POSITION

	2017 £	2016 £
Non-current assets		
Property, plant and equipment	-	230
Investment in subsidiaries	1	1
Total non-current assets	1	231

Current assets		
Investments	543,421	152,624
Trade and other receivables	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	11,937,944	11,881,694
Share premium	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	166,891	125,454
Total liabilities and current liabilities	166,891	125,454
Total equity and liabilities	794,439	256,168

1. OPERATING(LOSS)

	2017	2016
	£	£
Operating (loss) from continuing activities is stated after charging:		
Depreciation of property, plant and equipment	230	827
VAT provision	68,157	-

2. (LOSS) PER SHARE

	2017	2016
	£	£
(Loss)attributable to the owners of the Company		
Continuing Operations	(142,916)	(551,020)
	2017	2016
	No. of	No. of
	Shares	shares
Weighted average number of shares for calculating basic loss per share	33,521,353	11,400,805
	2017	2016
	Pence	Pence

Basic and diluted loss per share

3. The Independent Auditors' Report contains an emphasis of matter which is set out below in the extract of their report:**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.

Copies of the accounts will be posted 30 April 2018 to shareholders and will be available on the Company's website at www.piresinvestments.com

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