Pires Investments plc

(Incorporated in England and Wales with registered number 02929801)

Annual Report and

Financial Statements

FOR THE YEAR ENDED 31 OCTOBER 2015

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Company Information

Directors	**Peter Redmond (Chairman)** **Placid Gonzales (Non-Executive Director)** **John May (Non-Executive Director)**
Secretary	**Miles Nicholson**
Registered office	**c/o Cooley Services Limited** Dashwood 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** 61 Cheapside 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**

The results for the year under review are disappointing – although the level of losses sustained in the first half were stemmed, the Company continued to make losses at a reduced level in the second half of the period.

The principal factors contributing to the loss were the continuing poor performance of the share price of the Company's principal investment, Rame Energy plc ("Rame"), the lack of progress on the European wind projects of our subsidiary, Ventec Renewable Energy Limited ("Ventec"), and the level of the Company's operating costs relative to its modest asset base.

Other than Rame, our investments particularly in Kennedy Ventures plc ("Kennedy") and 3 Legs Resources plc ("3Legs") performed satisfactorily, although the size of these investments mean that gains are more than offset by the decrease in the share price of Rame. Rame has recently announced a significant round of non-equity financing which should enable it to take a number of its wind projects to the ready to build stage and on the 28 April 2016 announced its intention to carry out a £2.8m equity private placement at 9p per share and an intention to make an open offer on the same terms to existing shareholders.

As shareholders will be aware, Kennedy acquired a controlling stake in a tantalite project in Namibia – under Kennedy's management, this has now returned to production. 3Legs Resources, which became an investing company following the disposal of its Polish shale gas projects, acquired a cancer immunotherapy business – SalvaRx – on 22 March 2016 by means of a reverse transaction into 3Legs – which changed its name to SalvaRx Group plc ("SALV"). Since the reverse transaction SALV has announced significant developments which give it an interest in two further compounds which are progressing to human trials in the coming year, plus significant off-balance sheet funding for one of these projects.

The Company has partially realised some of its investments and intends to continue this process in the coming months.

The projects which Ventec was pursuing in the European wind sector did not prove possible to take forward and consequently, as announced by the Company on 11 March 2016, Ventec was disposed of to Ambrosia Investments, our largest shareholder. The consideration for the disposal was £2 and in addition Ambrosia agreed to settle intercompany liabilities amounting to circa £45,000. This disposal recovered most of the costs incurred in the venture.

Subsequent to the year end the Company undertook a share capital reorganisation in order to reduce the par value of its shares to below the market price, which allows the Company to raise additional equity finance.

Following a review of the Company's activities, the Board concluded that the strategy of investing in developing companies as they came to market was not practical without much more substantial funds for the purpose. In continuing to implement its investing policy, the Company will now adopt a more focussed approach and would also consider using the Company to undertake a reverse transaction.

Prior to 31 October 2015, in order to conserve working capital, the Board reviewed the cost structure of the Company and took steps to reduce expenditure. An operating plan has now been adopted which will bring about a further significant cost reduction, including a reduction in directors' remuneration to a level consistent with the Company's size and status.

It is the board's intention to raise additional funds in the near future by way of a placing, a further announcement will be made in due course.

Peter Redmond
Chairman
29 April 2016

Business review and future developments

Investments

During the period under review Pires Investments plc ("the Company") made the following significant changes to its investments:

On 13 February 2015, the Company subscribed for 34,482,760 new Ordinary shares in a placing by 3Legs Resources PLC ("3Legs") for a consideration of £80,600. The 34,482,760 new Ordinary shares represented approximately 8.0 per cent of 3Leg's total voting rights. 3Legs is an Isle of Man company whose shares are traded on AIM. The Company subsequently disposed of 8,000,000 Ordinary shares for a consideration of £19,849, representing a gain of 6% over the price paid. As at the year end the market value of the Company's holding in 3Legs was £84,083.

During the period under review the Company disposed of 300,095,238 Ordinary shares in Armstrong Ventures plc ("Armstrong") for a consideration of £71,750, representing a 14% gain over the price paid. As at the year end the market value of the Company's residual holding in Armstrong was £27,295.

During the period, the Company made a number of disposals of its Ordinary shares in Kennedy Ventures plc ("Kennedy"), disposing of 978,000 ordinary shares for a consideration of £80,688, representing a 660% gain over the price paid. As at the year end the market value of the Company's residual holding was £61,320.

During the period, the Company disposed of 100,000 Ordinary shares in Rame Energy plc out of its total holding of 3,485,270 Ordinary shares, representing a 34% loss over the price paid. As at the year end the market value of the Company's residual holding was £321,601.

Going concern

The Company's activities resulted in a loss of £454,698 (2014: Loss of £326,909) and the cash balance was £61,825 as at 31 October 2015 (2014: £295,198). As such, the Company's operational existence is dependent on the ability to raise further funding, by way of an equity placing, issuing debt instruments, by the realisation of quoted investments, or by a reduction in operating costs.

After making enquiries, the Directors have formed a judgement that there is a reasonable expectation that the Company can secure further adequate resources to continue in operational existence for the foreseeable future.

For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements. Whilst there are inherent uncertainties in relation to future events, and therefore no certainty over the outcome of the matters described, the Directors consider that, based upon financial projections and dependent on the success of their efforts to complete these activities, the Company will be a going concern for the next twelve months.

Investing Policy

The Group'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 Group's financial instruments and financial risk management policies can be found in notes 13 and 14 to the financial statements.

Key performance indicators

The key performance indicators are set out below:

	31 October 2015	31 October 2014	Change %
Net asset value	£524,028	£978,726	(46%)
Net asset value – fully diluted per share	0.023p	0.042p	(46%)
Cash and cash equivalents	£61,825	£295,198	(79%)

Principal business risks and uncertainties

Identifying suitable targets

The Group 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 Group 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 Group's ability to execute investments in suitable entities which generate acceptable returns. There is no guarantee that the Group will be successful in sourcing suitable investments.

Costs associated with potential investments

The Group 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 Group's performance, financial condition and business prospects.

Valuation error

The Group 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 Group 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 2016

The Directors present their annual report and the audited group financial statements of Pires Investments plc for the year ended 31 October 2015.

The Company's Ordinary Shares are traded on AIM Market of the London Stock Exchange under the ticker PIRI. On 31 March 2016 shareholders approved a capital reorganisation under which, inter alia, the 2,321,659,864 Ordinary Shares of 0.1p each were consolidated into 9,286,639 Ordinary Shares of 0.25p each.

Results and dividends

The Group's loss from continuing activities for the year was £454,698 (2014 loss: £326,909). 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 Group 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

On 11 March 2016 the Company announced that it had disposed of the entire issued share capital of Ventec, a subsidiary of the Company, to Ambrosia Investment Limited. 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 in addition Ambrosia settled in cash intercompany liabilities amounting to circa £45,000.

On 31 March 2016 shareholders approved a share reorganisation of Ordinary Shares and a buy-back of Deferred Shares. Under the reorganisation of Ordinary Shares 2,321,659,864 Ordinary Shares of 0.1p each were consolidated into 9,286,639 Ordinary Shares of 0.25p each. The buy-back of Deferred Shares, which carry no economic value, has not yet been finalised and the intention is that all Deferred Shares in existence will be cancelled.

Directors

The following Directors have held office since 1 November 2014:

Peter Redmond
John May (appointed 18 December 2014)
Placid Gonzales (appointed 18 December 2014)
Richard Armstrong (resigned 18 December 2014)
Aamir Quraishi (resigned 18 December 2014)
Christopher Yates (resigned 18 December 2014)

Charitable and political donations

No charitable or political donations were made during the year (2014: nil).

Substantial shareholders

As at 1 April 2016, 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**
Ambrosia Investment Limited	1,700,000	18.3%
JIM Nominees Limited (Jarvis)	1,163,594	12.5%
Pershing Nominees Limited (MDCLT)	900,000	9.7%
TD Direct Investing Nominees (Europe) Limited (SMKTNOMS)	524,138	5.6%
AIMS Consultancy Limited	500,000	5.4%
W B Nominees Limited	446,640	4.8%
Wealth Nominees Limited (Nominee)	416,425	4.5%
XCAP Nominees Limited (Nominee)	351,016	3.8%
Barclayshare Nominees Limited	291,074	3.1%

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 2016

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. It aims to provide sufficient levels of remuneration to do this, but to avoid paying more than is necessary. 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 2015 £	**Fees 2015 £**	**Total 2015 £**	Total 2014 £
Peter Redmond	30,000	30,000	**60,000**	44,000
John May	-	20,833	**20,833**	-
Placid Gonzales	-	13,024	**13,024**	-
Aamir Quraishi	6,976	-	**6,976**	17,500
Christopher Yates	3,750	-	**3,750**	18,450
Richard Armstrong	5,726	1,344	**7,070**	17,866
	46,452	65,201	**111,653**	97,816

Directors' interests

The Directors' beneficial interests in the share capital of the Company as at 31 October 2014 and 31 October 2015 were:

	Ordinary shares of 0.1p each 31 October 2015	Ordinary shares of 0.1p each 31 October 2014
Peter Redmond	**-**	-
John May	**-**	-
Placid Gonzales	**-**	-
Aamir Quraishi (note 1)	**-**	-
Christopher Yates (note 1)	**-**	6,766,819
Richard Armstrong (note 1)	**-**	15,113,436

Notes:

1 Aamir Quraishi, Christopher Yates and Richard Armstrong resigned as directors 18 December 2014.

2 On 16 April 2012, the Board granted to each of Peter Redmond and Aamir Quraishi a warrant over 1.5% of the Company's issued ordinary share capital from time to time exercisable at 0.1p per new ordinary share at any time up to 17 April 2015. These have lapsed during the year.

Peter Redmond
Director
29 April 2016

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 Group 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 Group and Parent Company and of the profit or loss of the Group 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 Group'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 Director's responsibility also extends to the financial statements contained therein.

By order of the Board

Peter Redmond
Director
29 April 2016

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 Christopher Yates and Peter Redmond until 18 December 2014 and since then has 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 Christopher Yates and Peter Redmond until 18 December 2014 and since then has comprised John May and Placid Gonzales. 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 2016

Independent auditor's report to the members of Pires Investments Plc

We have audited the Group and Parent Company financial statements (the "financial statements") of Pires Investments plc for the year ended 31 October 2015 which comprise the Group statement of comprehensive income, Group statement of changes in equity, Company statement of financial position, Company statement of cash flows and the related notes to the financial statements. 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.

This report is made solely to the Company 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 Group'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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

As explained more fully in the Directors' Responsibilities Statements, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition we read all financial and non-financial information in the Chairman's Statement, Strategic Report, and Report of the Directors to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit.

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Company's affairs as at 31 October 2015 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Emphasis of Matter – Going Concern
In forming our opinion on the financial statements, which is not modified, we draw your attention to the disclosures made in note 2 to the financial statements concerning the Group's ability to continue as a going concern.

These conditions, along with other matters explained in note 2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Group to continue as a going concern. The Directors have plans to manage the cash flows of the Group to enable it to continue as a going concern. These plans include either raising capital or liquidating quoted investments to provide the working capital requirements for the next 12 months. The financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Group, or returns adequate for our audit have not been received from branches not visited by us; or
- the Group 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.

Jonathan Bradley-Hoare (Senior Statutory Auditor)
For and on behalf of Welbeck Associates
Chartered Accountants and Statutory Auditor
30 Percy Street
London
W1T 2DB
29 April 2016

Group Statement of Comprehensive Income

	Notes	**2015** £	2014 £
CONTINUING ACTIVITIES			
Revenue			
Investment income	6	**134**	1,833
Other income		**6,200**	5,000
Total revenue		**6,334**	6,833
Losses on investments held at fair value through profit or loss	12	**(80,380)**	(15,981)
Operating expenses		**(380,652)**	(317,761)
Operating (loss) from continuing activities	4	**(454,698)**	(326,909)
(Loss) before taxation from continuing activities		**(454,698)**	(326,909)
Tax	8	**-**	-
(Loss) for the period and attributable to equity holders of the Company		**(454,698)**	(326,909)

Basic (loss) per share

Equity holders			
Basic and diluted	9	**(0.02)p**	(0.01)p

The Company has elected to take exemption under section 408 of the Companies Act 2006 not to present the Parent Company profit and loss accounts. The loss for the Parent Company for the year was £388,253 (2014: £325,031).

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

GROUP

	Share Capital £	Share Premium £	Capital Redemption Reserve £	Retained Earnings £	Total £
Balance at 1 November 2013	**11,853,192**	**2,904,840**	**164,667**	**(13,617,064)**	**1,305,635**
Total comprehensive income for the year ended 31 October 2014	-	-	-	(326,909)	(326,909)
Issue of shares	-	-	-	-	-
Share issuance costs	-	-	-	-	-
As at 31 October 2014	**11,853,192**	**2,904,840**	**164,667**	**(13,943,973)**	**978,726**
Total comprehensive income for the year ended 31 October 2015	-	-	-	(454,698)	(454,698)
As at 31 October 2015	**11,853,192**	**2,904,840**	**164,667**	**(14,398,671)**	**524,028**

COMPANY

	Share Capital £	Share Premium £	Capital Redemption Reserve £	Retained Earnings £	Total £
Balance at 1 November 2013	**11,853,192**	**2,904,840**	**164,667**	**(13,617,064)**	**1,305,635**
Total comprehensive income for the year ended 31 October 2014	-	-	-	(325,031)	(325,031)
Issue of shares	-	-	-	-	-
Share issuance costs	-	-	-	-	-
As at 31 October 2014	**11,853,192**	**2,904,840**	**164,667**	**(13,942,095)**	**980,604**
Total comprehensive income for the year ended 31 October 2015	-	-	-	(388,253)	(388,253)
As at 31 October 2015	**11,853,192**	**2,904,840**	**164,667**	**(14,330,348)**	**592,351**

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

Group and Company Statements of Financial Position

		Group		Company	
		2015	2014	**2015**	2014
	Note	**£**	£	**£**	£
Non-current assets					
Property, plant and equipment	10	**1,057**	2,163	**1,057**	2,163
Investment in subsidiaries		**-**	-	**18,503**	18,503
Total non-current assets		**1,057**	2,163	**19,560**	20,666
Current assets					
Investments	12	**516,520**	698,612	**516,520**	698,612
Trade and other receivables	16	**50,561**	122,396	**76,340**	124,271
Cash and cash equivalents		**61,825**	295,198	**61,825**	276,698
Total current assets		**628,906**	1,116,206	**654,685**	1,099,581
Total assets		**629,963**	1,118,369	**674,245**	1,120,247
Equity					
Issued share capital	17	**11,853,192**	11,853,192	**11,853,192**	11,853,192
Share premium	17	**2,904,840**	2,904,840	**2,904,840**	2,904,840
Retained earnings		**(14,398,671)**	(13,943,973)	**(14,330,348)**	(13,942,095)
Capital redemption reserve		**164,667**	164,667	**164,667**	164,667
Total equity		**524,028**	978,726	**592,351**	980,604
Liabilities					
Current liabilities					
Trade and other payables	18	**105,935**	139,643	**81,894**	139,643
Total liabilities and current liabilities		**105,935**	139,643	**81,894**	139,643
Total equity and liabilities		**629,963**	1,118,369	**674,245**	1,120,247

These financial statements were approved and authorised for issue by the Board of Directors on 29 April 2016 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.

Group and Company Statements of Cash Flows

	Group		Company	
	2015	2014	**2015**	2014
	£	£	**£**	£
Cash flows from operating activities				
(Loss)	**(454,698)**	(343,909)	**(388,253)**	(325,031)
Depreciation	**1,106**	904	**1,107**	904
Realised (gain)/loss on disposal of investments	**(38,969)**	73,612	**(38,969)**	73,612
Fair value movements in investments	**119,349**	(85,409)	**119,349**	(85,409)
Finance income	**(134)**	(1,833)	**(134)**	(1,833)
(Increase)/decrease in receivables	**71,835**	32,971	**47,931**	13,593
Increase/(decrease) in payables	**(33,708)**	52,533	**(57,749)**	34,533
Net cash used in operating activities	**(335,219)**	(271,131)	**(316,718)**	(289,631)
Cash flows from investing activities				
Payments to acquire tangible fixed assets	**-**	(1,256)	**-**	(1,256)
Payments to acquire investments	**(80,600)**	(674,349)	**(80,600)**	(674,349)
Proceeds of disposal of investments	**182,312**	44,722	**182,312**	44,722
Finance income received net	**134**	1,833	**134**	1,833
Net cash used in investing activities	**101,846**	(629,050)	**101,846**	(629,050)
Cash flows from financing activities				
Finance cost paid	**-**	-	-	-
Net cash from financing activities	**-**	-	**-**	-
Net (decrease)/increase in cash and cash equivalents during the year	**(233,373)**	(900,181)	**(214,873)**	(918,681)
Cash and cash equivalents at beginning of year	**295,198**	1,195,379	**276,698**	1,195,379
Cash and cash equivalents at end of year	**61,825**	295,198	**61,825**	276,698

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, 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 consolidated 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 consolidated 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 involved making a judgement, at a particular point in time, about future events which are inherently uncertain. The ability of the Group 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.

Basis of consolidation

The Group's consolidated financial statements incorporate the financial statements of Ventec Renewable Energy Limited (the "Company") and entities controlled by the Company. Subsidiaries are entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

1. ACCOUNTING POLICIES (continued)

Statement of compliance

The following new and revised Standards and Interpretations have been adopted in the current period by the Group for the first time and do not have a material impact on the group.

IFRS 10	Consolidated financial statements
IFRS 12	Disclosures of interests in other entities

A number of new standards and amendments to standards and interpretations have been issued but are not yet effective and not early adopted. None of these are expected to have a significant effect on the consolidated financial statements of the Group.

Depreciation

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.

1. ACCOUNTING POLICIES (continued)

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 Group'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 Group'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 £454,698 (2014: Loss of £326,909) and the cash balance was £61,825 as at 31 October 2015 (2014: £295,198). As such, the Company's operational existence is dependent on the ability to raise further funding, by way of an equity placing, issuing debt instruments, by the realisation of quoted investments, or by a reduction in operating costs.

After making enquiries, the Directors have formed a judgement that there is a reasonable expectation that the Company can secure further adequate resources to continue in operational existence for the foreseeable future.

For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements. Whilst there are inherent uncertainties in relation to future events, and therefore no certainty over the outcome of the matters described, the Directors consider that, based upon financial projections and dependent on the success of their efforts to complete these activities, the Company will be a going concern for the next twelve months.

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)

	2015	2014
	£	£
Operating (loss) from continuing activities is stated after charging:		
Depreciation of property, plant and equipment	**1,106**	904

5. AUDITORS REMUNERATION

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

	2015	2014
	£	£
Fees payable to auditors for the audit of the Company's financial statements	**14,500**	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	**-**	-
	16,000	16,000

6. INVESTMENT INCOME

The Company's finance income was:

	2015	2014
	£	£
Interest receivable	**134**	1,583
Dividends receivable	**-**	250
	134	1,833

7. REMUNERATION

The Company's employee benefit expense (for continuing activities in 2015) was:

	2015	2014
	£	£
Wages and salaries	**72,782**	103,966
Social security costs	**3,530**	2,003
	76,312	105,969

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

	2015	2014
	No	No
	3	4

Details of Directors' emoluments, including details of warrants awarded, 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

	2015	2014
	£	£
Factors affecting the tax charge for the year		
(Loss)/ profit on ordinary activities before taxation	**(454,698)**	(326,909)
(Loss)/ profit on ordinary activities before taxation multiplied by the standard rate of UK corporation tax of 20% (2014: 21.83%)	**(90,940)**	(71,364)
Effects of:		
Expenses not deductible for tax purposes net of income not subject to corporation tax	**-**	5,224
Provisions against amounts due from subsidiaries	**-**	-
Tax depreciation in excess of book depreciation	**(181)**	(142)
Gain on disposal of capital assets	**7,794**	-
Tax losses arising in the year carried forward	**107,197**	78,863
Tax losses of prior year offset against realised investment gains		-
Unrealised taxable losses not subject to tax in the period	**(23,870)**	(12,581)
Share-based payment charge not deductible	**-**	-
Tax charge	**-**	-

The Company has tax losses available to carry forward against relevant future taxable income and profits of approximately £2.5million (2014: £2.4 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. (LOSS)/EARNINGS PER SHARE

	2015 £	2014 £
(Loss)/profit attributable to the owners of the Company		
Continuing Operations	**(454,698)**	(326,909)

	2015 No. of shares	2014 No. of shares
Weighted average number of shares for calculating basic loss per share	**2,321,659,864**	2,321,659,864

	2015 pence	2014 pence
Basic and diluted loss per share		
Continuing Operations	**(0.02)**	(0.01)

There were no dilutive instruments which would give rise to diluted earnings per share.

10. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment £
Cost	
At 1 November 2013	2,108
Additions during the year	1,255
At 1 November 2014	**3,363**
Additions during the year	**-**
At 31 October 2015	**3,363**
Depreciation	
At 1 November 2013	296
Charge for the year	904
Disposal during the year	-
At 1 November 2014	**1,200**
Charge for the year	**1,106**
As at 31 October 2015	**2,306**
Carrying amount	
As at 31 October 2015	**1,057**
At 31 October 2014	2,163

11. 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 2015 or 2014.

12. INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

	2015	2014
	£	£
Investments at fair value brought forward	**698,612**	84,966
Purchase of investments	**80,600**	674,349
Investment disposals	**(143,343)**	(44,723)
Provision for impairment of unquoted investments	**-**	(27,777)
Movement in investment holding gains	**(119,349)**	11,797
Balance	**516,520**	698,612
Categorised as		
Level 1 – quoted prices	494,297	676,389
Level 3 – Unquoted investments	22,223	22,223
Gains / (losses) on investments held at fair value through profit or loss		
Movement in investment holding gains	(119,349)	85,409
Realised gain on disposal of investments	38,969	(73,613)
Impairment of Level 3 investments	-	(27,777)
Net loss on investments held at fair value through profit or loss	(80,380)	(15,981)

Unquoted investments (Level 3)

The value of the unquoted investments as at 31 October 2015 was £22,223 and the amount 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.

13. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group 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 Group's objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it continues to provide returns and benefits for shareholders;
- to support the Group's growth; and
- to provide capital for the purpose of strengthening the Group's risk management capability.

The Group 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 Group 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 Group'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 £112,386 (2014: £428,053) comprising cash and cash equivalents and loans and receivables.

Liquidity risk

Liquidity risk arises from the possibility that the Group 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 Group's exposure to market price risk mainly arises from potential movements in the fair value of its investments.

The Group's exposure to price risk on quoted investments is as follows:

Change in equity	**2015**	2014
	£	£
Increase in quoted investments by 10%	**49,430**	67,640
Decrease in quoted investments by 10%	**(49,430)**	(67,640)

14. 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:

	2015	2014
	£	£
Financial assets:		
Fair value through profit or loss investments	**516,520**	698,612
Loans and receivables	**38,624**	108,419
Cash and cash equivalents	**61,825**	295,198
Total	**616,969**	1,102,229

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:

	2015	2014
	£	£
Trade and other payables	**73,107**	62,968

15. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

Cost	**£**
At 1 November 2013	-
Additions during the year	18,503
At 1 November 2014	**18,503**
Disposals during the year	-
Additions during the year	-
At 31 October 2015	**18,503**
Provision for diminution in value	
At 1 November 2013	-
Disposals during the year	-
At 1 November 2014	-
Disposals during the year	-
At 31 October 2015	**-**
Net book value	
At 31 October 2015	**18,503**
At 31 October 2014	**18,503**

15. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS (continued)

All principal subsidiaries of the Group are consolidated into the financial statements. At 31 October 2015 the subsidiaries were as follows

Subsidiary undertaking	Country of registration	Principal activity	Percentage holding
Ventec Renewable Energy Limited*	UK	Renewable Energy	100%
Ventec Wind 1 GmbH*	Germany	Renewable Energy	90%
Energy Investment Opportunities Limited	UK	Dormant	100%

*Ventec Renewable Energy Limited and its subsidiary Ventec Wind 1 GmbH were disposed of after the year end as detailed in note 24, Post Balance Sheet Events.

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2015	2014	**2015**	2014
	£	£	**£**	£
Amount held by Insolvency Practitioner in connection with the CVA	**-**	6,104	**-**	6,104
Other receivables	**38,624**	102,315	**64,403**	104,190
Prepayments and accrued income	**11,937**	13,977	**11,937**	13,977
	50,561	122,396	**76,340**	124,271

As described in note 13, the Directors do not consider credit risk to be material to the Company's operations.

17. ISSUED SHARE CAPITAL

	Number of shares	Nominal value £	Share premium £
Issued and fully paid:			
At 1 November 2013 and 31 October 2014			
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	-	**-**	-
At 31 October 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

17. 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.

On 31 March 2016 shareholders approval 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;
(b) the ordinary shares of 0.001p each were consolidated on the basis of one ordinary share of 0.25p for every 250 ordinary shares of 0.001p each;
(c) the deferred shares of 5p each, 4.9p each and 0.099p each are to be bought back by the company for cancellation from the proceeds of the issue of one ordinary share of 0.25p at a price of £1

18. TRADE AND OTHER PAYABLES

	Group		Company	
	2015	2014	**2015**	2014
	£	£	**£**	£
Trade payables	**72,262**	35,686	**48,221**	35,686
Other payables	**-**	26,250	**-**	26,250
Accruals and deferred income	**32,828**	76,675	**32,828**	76,675
Taxation and social security	**845**	1,032	**845**	1,032
	105,935	139,643	**81,894**	139,643

The fair value of trade and other payables has not been disclosed as, due to their short duration, management considers the carrying amounts recognised in the statement of financial position to be a reasonable approximation of their fair value.

19. CONTINGENT LIABILITES

At 31 October 2015 and 2014, the Company had no material contingent liabilities.

20. CAPITAL COMMITMENTS

At 31 October 2015 and 2014, the Company had no capital commitments authorised or contracted by the Directors.

21. POTENTIAL SHARE ISSUES AND SHARE BASED PAYMENTS

The Company has been subject to the following potential share issue obligations during the year, none of which are share based payments of the current year:

On 16 April 2012, the Company granted a warrant to Peterhouse Capital Limited which gave Peterhouse Capital Limited the right to subscribe new ordinary shares of 0.1p each representing up to 3% of the issued share capital of the Company from time to time. The subscription price for the exercise of this warrant was 0.1p per share and the warrant was able to be exercised at any time up to 20 March 2015. The warrants expired unexercised.

On 17 April 2012, the Company granted warrants to each of Peter Redmond and Aamir Quraishi which each gave the holder the right to subscribe new ordinary shares of 0.1p each representing up to 1.5% of the issued share capital of the Company from time to time. The subscription price for the exercise of these warrants was 0.1p per share and the warrants were able to be exercised at any time up to 17 April 2015. The warrants expired unexercised.

	Exercise price for the year ended 31 October 2015	**Number of shares to be issued upon exercise for the year ended 31 October 2015**	Exercise price for the year ended 31 October 2014	Number of shares to be issued upon exercise price for the year ended 31 October 2014
	£		£	
Outstanding at beginning of period	**0.10p**	**139,229,592**	0.10p	139,229,592
Arising during the period	**-**	**-**	-	-
Lapsed during the period	**0.10p**	**139,229,592**	-	-
Outstanding at end of period	**-**	**-**	0.10p	139,229,592
Exercisable at end of period	**-**	**-**	0.10p	139,229,592

22. RELATED PARTY TRANSACTIONS

Ultimate controlling party

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

Transactions with Directors

	2015	2014
	£	£
Fees for consultancy services and disbursements supplied by Benedict Investments Limited, a company of which Aamir Quraishi is a director and the controlling shareholder	**-**	2,500
Fees for consultancy services supplied by Catalyst Corporate Consultants Limited, a company beneficially controlled by Peter Redmond and of which he is a director	**30,000**	24,000
Fees for consultancy services supplied by City and Westminster Corporate Finance LLP, a company beneficially owned by John May	**20,833**	13,653
Fees for consultancy services supplied by Placid P. Gonzales & Associates, a company beneficially owned by Placid Gonzales and of which he is a director.	**13,024**	-
Fees for consultancy services supplied by Christopher Yates as a consultant for services other than director's duties	**-**	5,950
Fees for consultancy services supplied by Richard Armstrong as a consultant for services other than director's duties	**1,344**	-

During the period, a member of key management, Emmanouil Vaindirlis, charged consultancy fees of £35,000 (2014: £29,167) through a Company of which he is a Director, Newdoor Capital Limited.

23. POST BALANCE SHEET EVENTS

Reconstruction of Share Capital

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;
(b) the ordinary shares of 0.001p each were consolidated on the basis of one ordinary share of 0.25p for every 250 ordinary shares of 0.001p each;
(c) the deferred shares of 5p each, 4.9p each and 0.099p each are to be bought back by the company for cancellation from the proceeds of the issue of one ordinary share of 0.25p at a price of £1.

Disposal of Ventec Renewable Energy Limited ("Ventec")

On 10 March 2016, Pires disposed of the entire issued share capital of Ventec Renewable Energy Limited ("Ventec") and its subsidiary Ventec Wind 1 GmbH to Ambrosia Investment Limited, a substantial shareholder of the Company. Ventec was formed in July 2014 with a view to entering into a number of European renewable energy projects. Ultimately it was not possible to complete such transactions. Prior to the disposal, Pires obtained an independent valuation for Ventec and its subsidiary which confirmed the directors' view that the subsidiary had nil economic value. Consideration for the disposal was £2 and additionally the purchaser settled intercompany liabilities amounting to circa £45,000 due from Ventec to Pires.