REGISTERED NUMBER: 06138814 (England and Wales)

ETAIREIA INVESTMENTS PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

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FOR THE YEAR ENDED 31 MARCH 2016

ETAIREIA INVESTMENTS PLC

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2016

DIRECTORS:	B Bloom G Collier
SECRETARY:	Nominee Secretaries Limited
REGISTERED OFFICE:	2nd Floor Cambridge House Cambridge Road Harlow Essex CM20 2EQ
REGISTERED NUMBER:	06138814 (England and Wales)
INDEPENDENT AUDITORS:	Welbeck Associates Chartered Accountants and Statutory Auditors 30 Percy Street London W1T 2DB
SOLICITORS:	Strefford Tulips 118 Cadzow Street Hamilton ML3 6HP
REGISTRARS:	Share Registrars Limited The Courtyard 19 West Street Farnham Surrey GU9 7DR

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016

I am pleased to present the audited results for Etaireia Investments plc for the year ended 31 March 2016.

Financial Overview

There was a loss from continuing operations for the year of £203,647 (2015: £363,122).

The Group's net assets at the end of the period were £2,318,194 (2015: £2,133,766)

Review of Activities

On 15 September 2015 I was appointed as Chairman and remain optimistic that my extensive contact base in the property sector will enable a series of deals to conclude, enhancing the balance sheet and profitability of the Company. Due to cash constraints and the difficulties with fund raising in the current market, I endeavour to acquire properties primarily by issue of equity in the Company. On 15 February 2016 we acquired the property known as 'Ivy Leaf Club' in Sunderland of which I held a 50% interest, entirely for new shares. Now as a significant shareholder, my ability to negotiate other deals to follow is strengthened.

The Board is aware that the Group needs to generate income and work has continued with limited cash resources to explore all opportunities within our current portfolio. Negotiations with various parties to develop the land at Dalry and Roystonhill continue and announcements in this respect are anticipated in due course.

During the period the Company raised a total of £132,000 by way of subscription of new ordinary shares and a total of £90,000 loan notes were converted to equity.

There have been no other material events, transactions or developments during the period.

Post Balance Sheet Events

On 17 August 2016 the Company announced a further acquisition of a property at 5-6 High Street, Cleator Moor, Cumbria, CA25 5AH, recently valued by at £182,000. The issue of new shares primarily financed the purchase. The board is now working towards finalising agreed terms with a tenant to generate rental income from the site as soon as possible.

Since the financial year end the Company has raised a further £35,000 by way of subscription of new ordinary shares and settled a total of £14,000 debt by issue of new ordinary shares.

On 17 August 2016 the Company announced that Jim Kirkwood (who was appointed within the accounting period on 14 May 2015) and Phil McGinlay were stepping down from their respective board roles today, the 31 August 2016, to pursue other interests.

The Board continues to actively seek further investment and acquisition opportunities to enhance shareholder value and we expect to make further announcements in the near future.

Baron Bloom
Chairman
31 August 2016

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The Directors present their Strategic report for the Group for the year ended 31 March 2016.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The operating loss for the year was £203,647 (2015: £363,122).

During the period the Company raised a total of £132,000 by way of subscription of new ordinary shares and a total of £90,000 loan notes were converted to equity. At the end of the period, there were no outstanding loan notes.

Also in the year the Company acquired a further property asset known as 'The Ivy Leaf Club' in Sunderland for £210,000 that was settled entirely by the issue of new ordinary shares (see note 9).

KEY PERFORMANCE INDICATORS

The Directors consider that the Company's Key Performance Indicators are:

COMPANY STATISTICS	31 March 2016	31 March 2015	Change %
Net assets/(liabilities)	**£2,318,194**	£2,133,766	+9%
Net asset value – fully diluted per share	**0.15p**	0.16p	-6%
Gross investment assets (including cash)	**£2,475,836**	£2,314,315	+7%
Share price	**0.04p**	0.20p	-80%
Market capitalisation	**£691,000**	£2,453,000	-72%

PRINCIPAL RISKS AND UNCERTAINTIES

Currently the main risk that could affect the Company is that demand for residential property may decrease in the area where its real estate asset is located, which would have an adverse effect on the value of the asset.

GOING CONCERN BASIS

The Group had net assets of £2,318,194 at the balance sheet date and cash balances of £13,633. Since the year end the Company has also acquired another subsidiary, Pacha Cleator Limited ("PC") for £182,000 through the issue of 203,076,923 new ordinary shares at a price of 0.065p per share and £50,000 cash.

The Directors have prepared cash forecasts, which assume that there are no further property transactions within the period other than the PC transaction above and the directors have agreed to only draw salaries when the Company has funds surplus to that required for the management and maintenance of the business. The forecasts indicate that the Company has sufficient financial resources to meet its commitments for at least twelve months following the date of signing of these financial statements. In any event, the directors believe should further funds be required, besides seeking new investors, a bank loan secured against the land or exiting one of the current land deals are viable options. For these reasons, at the time of approving the financial statements, the Directors consider that the Company has sufficient funds to enable it to continue in existence for the foreseeable future, and they continue to adopt the going concern basis of accounting in preparing the financial statements.

ON BEHALF OF THE BOARD:

Baron Bloom
Director
31 August 2016

The Directors present their report with the financial statements of the Group for the year ended 31 March 2016.

PRINCIPAL ACTIVITY
The Company is an investment company.

During the year the Company has continued its investment strategy, focused on the property and real estate sector, the objective being to provide shareholders with strong investment returns and a balanced exposure to lower risk, income generating assets and opportunities that will provide a higher capital return. The Company looks to invest in residential schemes as well as commercial, retail and industrial property within the UK. The Directors look to purchase assets significantly undervalued by the current market.

DIRECTORS AND INTERESTS
The Directors during the period under review, and their holding in the Company as at 31 March 2016 were:

Director	Appointment and/or resignation date	Shareholding %
Greg Collier		-
Baron Bloom	(appointed 15 September 2015)	7.54%
James Kirkwood	(appointed 14 May 2015, resigned 31 August 2016)	-
Philip McGinlay	(appointed 25 February 2015, resigned 31 August 2016)	-
Stuart Black	(resigned 14 May 2015)	-

On 31 August 2016 , Mr James Kirkwood and Mr Philip McGinlay resigned as directors of the Company.

DIVIDENDS
No dividend will be distributed for the period ended 31 March 2016 (2015 - £Nil).

DIRECTORS' REMUNERATION
The details of the directors' remuneration are set out in note 3 to the financial statements.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS
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 have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. The financial statements are required by law to give a true and fair view of the state of affairs and of the profit or loss for the period.

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 the affairs and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements comply with IFRSs as adopted by the European Union; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

POST YEAR END EVENTS

Post year end events are disclosed in note 20 to the financial statements.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each person who was a director at the time this report was approved:

- so far as that director was aware there was no relevant available information of which the Company's auditors were unaware; and
- that director had taken all steps that the director ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors were aware of that information.

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

AUDITORS

Welbeck Associates have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed as auditors to the Company for the ensuing year.

ON BEHALF OF THE BOARD:

Baron Bloom
Director
31 August 2016

We have audited the financial statements of Etaireia Investments plc for the year ended 31 March 2016 which comprise the Group Statement of Comprehensive Income, the Group and Company Statement of Financial Position, the Group and Company Statement of Cash Flow, the Group and Company Statement of Changes in Equity, and the related notes. 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 and as applied in accordance with the provisions of the Companies Act 2006.

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

Respective responsibilities of directors and auditors
As explained more fully in the Directors' Responsibilities Statement, as set out on page 4, 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 (APBs) 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 Company'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 the 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. If we become aware of any apparent material misstatements or inconsistencies we consider the implication for our report.

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's and Parent Company's affairs as at 31 March 2016 and of the Group's loss for the year then ended;
- the Group and Parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and Article 4 of the IAS Regulation.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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
Statutory Auditor
30 Percy Street
London
W1T 2DB

Date: 31 August 2016

ETAIREIA INVESTMENTS PLC

GROUP INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	2015 £
CONTINUING OPERATIONS			
Turnover		**1,200**	-
Gross profit		**1,200**	-
Administrative expenses		**(208,886)**	(357,124)
LOSS FROM OPERATIONS	5	**(207,686)**	(357,124)
Finance income	6	**4,039**	-
Finance expense	6	-	(5,998)
LOSS FROM CONTINUING OPERATIONS BEFORE TAX		**(203,647)**	(363,122)
Income tax	7	-	-
ATTRIBUTABLE TO EQUITY HOLDERS		**(203,647)**	(363,122)
Earnings per share:			
Basic and diluted earnings per share from total operations	8	**(0.016)p**	(0.04)p

GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

	2016 £	2015 £
Loss for the financial year	**(203,647)**	(363,122)
Other comprehensive income:		
Revaluation of investment properties	-	609,092
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR	**(203,647)**	245,970

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

ETAIREIA INVESTMENTS PLC – COMPANY NUMBER 06138814

GROUP AND COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Notes	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
		£	£	£	£
Non-current assets					
Investment properties	10	**2,448,780**	2,238,780	**1,292,780**	1,292,780
Investment in subsidiary undertakings	11	**-**	-	**1,156,000**	946,000
		2,448,780	2,238,780	**2,448,780**	2,238,780
Current assets					
Trade and other receivables	12	**13,423**	37,986	**13,423**	37,986
Cash and cash equivalents	13	**13,633**	75,535	**13,633**	75,535
		27,056	113,521	**27,056**	113,521
Current liabilities					
Trade and other payables	14	**(157,642)**	(147,576)	**(157,642)**	(147,576)
Net current liabilities		**(130,586)**	(34,055)	**(130,586)**	(34,055)
Non-current liabilities					
Convertible loan notes	15	**-**	(70,959)	**-**	(70,959)
NET ASSETS		**2,318,194**	2,133,766	**2,318,194**	2,133,766
Equity					
Issued share capital	16	**356,941**	327,061	**356,941**	327,061
Share premium account		**2,698,379**	2,317,104	**2,698,379**	2,317,104
Revaluation reserve		**609,092**	609,092	**609,092**	609,092
Convertible loan equity reserve	17	**-**	23,080	**-**	23,080
Share option reserve		**101,233**	101,233	**101,233**	101,233
Accumulated losses		**(1,447,451)**	(1,243,804)	**(1,447,451)**	(1,243,804)
SHAREHOLDERS' FUNDS		**2,318,194**	2,133,766	**2,318,194**	2,133,766

The financial statements were approved by the Board of Directors and authorised for issue on 31 August 2016.

Baron Bloom
Director

ETAIREIA INVESTMENTS PLC

GROUP AND COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016

	Notes	GROUP 2016	GROUP 2015	COMPANY 2016	COMPANY 2015
		£	£	£	£
Cash flow from operating activities					
Loss before income tax		**(203,647)**	(363,122)	**(203,647)**	(363,122)
Adjusted for:					
Share based payment costs		-	,101,233	-	,101,233
Finance costs		-	5,998	-	5,998
Finance income		**(4,039)**	-	**(4,039)**	-
Decrease/(increase) in trade and other receivables		**24,563**	(37,986)	**24,563**	(37,986)
Increase in trade and other payables		**10,066**	94,421	**10,066**	94,421
Net cash outflow from operating activities		**(173,057)**	(199,456)	**(173,057)**	(199,456)
Investing activities					
Investment in subsidiary		-	-	-	(770,849)
Purchase of investment properties		-	(1,629,688)	-	(858,839)
Net cash used in investment activities		-	(1,629,688)	-	(1,629,688)
Cash flows from financing activities					
Net proceeds from share issues		**111,155**	1,134,210	**111,155**	1,134,210
Proceeds from issue of convertible loan notes		-	90,000	-	90,000
Net cash inflow from financing activities		**111,155**	1,224,210	**111,155**	1,224,210
Net (decrease)/increase in cash and cash equivalents		**(61,902)**	(604,934)	**(61,902)**	(604,934)
Cash and cash equivalents at beginning of year		**75,535**	680,469	**75,535**	680,469
Cash and cash equivalents at year end	13	**13,633**	75,535	**13,633**	75,535

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

ETAIREIA INVESTMENTS PLC

GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016

	Share Capital £	Share premium £	Revaluation reserve £	Loan note equity reserve £	Share option reserve	Accumulated losses £	Total equity £
At 1 April 2014	264,197	1,140,758	-	26,927	-	(897,374)	534,508
Total comprehensive income and expense for the period	-	-	609,092	-	-	(363,122)	245,970
Issue of convertible loan notes	-	-	-	23,080	-	-	23,080
Conversion of loan notes	10,500	94,500	-	(10,235)	-	-	94,765
Loan note equity reserve transfer on conversion	-	-	-	(16,692)	-	16,692	-
Grant of share options	-	-	-	-	101,233	-	101,233
Share issue	52,364	1,182,800	-	-	-	-	1,235,164
Share issue costs	-	(100,954)	-	-	-	-	(100,954)
At 31 March 2015	**327,061**	**2,317,104**	**609,092**	**23,080**	**101,233**	**(1,243,804)**	**2,133,766**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**(203,647)**	**(203,647)**
Share issue	**29,880**	**402,120**	**-**	**-**	**-**	**-**	**432,000**
Share issue costs	**-**	**(20,845)**	**-**	**-**	**-**	**-**	**(20,845)**
Conversion of loan notes	**-**	**-**	**-**	**(23,080)**	**-**	**-**	**(23,080)**
At 31 March 2016	**356,941**	**2,698,379**	**609,092**	**-**	**101,233**	**(1,447,451)**	**2,318,194**

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

ETAIREIA INVESTMENTS PLC

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016

	Share Capital £	Share premium £	Revaluation reserve £	Loan note equity reserve £	Share option reserve	Accumulated losses £	Total equity £
At 1 April 2014	264,197	1,140,758	-	26,927	-	(897,374)	534,508
Total comprehensive income and expense for the period	-	-	609,092	-	-	(363,122)	245,970
Issue of convertible loan notes	-	-	-	23,080	-	-	23,080
Conversion of loan notes	10,500	94,500	-	(10,235)	-	-	94,765
Loan note equity reserve transfer on conversion	-	-	-	(16,692)	-	16,692	-
Grant of share options	-	-	-	-	101,233	-	101,233
Share issue	52,364	1,182,800	-	-	-	-	1,235,164
Share issue costs	-	(100,954)	-	-	-	-	(100,954)
At 31 March 2015	**327,061**	**2,317,104**	**609,092**	**23,080**	**101,233**	**(1,243,804)**	**2,133,766**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**(203,647)**	**(203,647)**
Share issue	**29,880**	**402,120**	**-**	**-**	**-**	**-**	**432,000**
Share issue costs	**-**	**(20,845)**	**-**	**-**	**-**	**-**	**(20,845)**
Conversion of loan notes	**-**	**-**	**-**	**(23,080)**	**-**	**-**	**(23,080)**
At 31 March 2016	**356,941**	**2,698,379**	**609,092**	**-**	**101,233**	**(1,447,451)**	**2,318,194**

1. GENERAL INFORMATION

Etaireia Investments Plc is a public limited company incorporated in the United Kingdom (Registration Number 06138814). The address of the registered office is given on page 1.

As disclosed in the Report of the Directors, the Company is a property investment company.

GOING CONCERN

The Group had net assets of £2,318,194 at the balance sheet date and cash balances of £13,633. Since the year end some convertible loan notes have been converted, adding £90,000 to the net assets of the Group. Also £50,000 additional equity has been raised from share subscriptions and the Directors are in the process of raising further funds from share subscriptions.

The Directors have prepared cash forecasts, which assume that there are no further property transactions within the period and the directors have agreed to only draw salaries when the Company has funds surplus to that required for the management and maintenance of the business. The forecasts indicate that the Group has sufficient financial resources to meet its commitments for at least twelve months following the date of signing of these financial statements. In any event, the directors believe should further funds be required, besides seeking new investors, a bank loan secured against the land or exiting one of the current land deals are viable options. For these reasons, at the time of approving the financial statements, the Directors consider that the Group has sufficient funds to enable it to continue in existence for the foreseeable future, and they continue to adopt the going concern basis of accounting in preparing the financial statements.

STATEMENT OF COMPLIANCE

The financial statements comply with International Financial Reporting Standards as adopted by the European Union. At the date of authorisation of these financial statements, the following Standards and Interpretations affecting the Company, which have not been applied in these financial statements, were in issue, but not yet effective (and in some cases had not been adopted by the EU):

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers
- IFRS 11 (amendments) Accounting for Acquisitions of Interests in Joint Operations
- IAS 16 and IAS 38 (amendments) Clarification of Acceptable Methods of Depreciation and Amortisation
- IAS 19 (amendments) Defined Benefit Plans: Employee Contributions
- IAS 27 (amendments) Equity Method in Separate Financial Statements
- IFRS 10 and IAS 28 (amendments) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Annual Improvements to IFRSs: 2010-2012 Amendments to: IFRS 2 Share-based Payment, IFRS 3 Business Combinations, IFRS 8 Operating Segments, IFRS 13 Fair Value Measurement, IAS 16 Property, Plant and Equipment, IAS 24 Related Party Disclosures and IAS 38 Intangible Assets
- Annual Improvements to IFRSs: 2011-2013 Amendments to: IFRS 3 Business Combinations, IFRS 13 Fair Value Measurement and IAS 40 Investment Property
- Annual Improvements to IFRSs: 2012-2014 Cycle Amendments to: IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, IFRS 7 Financial Instruments: Disclosures, IAS 19 Employee Benefits and IAS 34 Interim Financial Reporting

The Directors anticipate that the adoption of the above Standards and Interpretations in future periods will have little or no impact on the financial statements of the Company when the relevant Standards come into effect for future reporting periods.

2. ACCOUNTING POLICIES

(a) Principal accounting policies

The Principal Accounting Policies applied in the preparation of these Group and Parent Company financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

(b) Basis of preparation of the financial statements

The financial statements of Etaireia Investments plc ("Etaireia" or the "Company") 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 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 judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed later in these accounting policies.

The financial statements are presented in Pounds Sterling, which is the functional currency of Etaireia.

(c) Basis of consolidation

The Group's consolidated financial statements incorporate the financial statements of Etaireia Investments plc (the "Company") and entities controlled by the Company (its subsidiaries). 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.

(d) Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method under IFRS 3. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for resale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities exceed the cost of the business combination, the excess is recognised immediately in the income statement.

2. ACCOUNTING POLICIES - continued

(e) Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition and is included as a non-current asset.

Goodwill is tested annually, or more regularly should the need arise, for impairment and is carried at cost less accumulated impairment losses. Any impairment is recognised immediately in the income statement and is not subsequently reversed.

Goodwill is allocated to cash generating units for the purpose of impairment testing.

On disposal of a subsidiary the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

In accordance with IAS 36 the Group values Goodwill at the lower of its carrying value or its recoverable amount, where the recoverable amount is the higher of the value if sold and its value in use. In addition IAS 38 requires intangible assets with finite useful lives to follow the same impairment testing as Goodwill including the use of value in use calculations.

(f) Investment properties

Investment properties are those properties that are held either to earn rental income or for capital appreciation or both.

Acquired investment properties are measured initially at cost, including related transaction costs. After initial recognition at cost, investment properties are carried at their fair values based on a professional valuation made as of each reporting date. Properties are treated as acquired at the point when the Company assumes the significant risks and returns of ownership and as disposed when these are transferred to the buyer. Additions to investment properties consist of costs of a capital nature.

The difference between the fair value of an investment property at the reporting date and its carrying amount prior to remeasurement is included in the Statement of Comprehensive Income as a valuation gain or loss. When the Company begins to redevelop an existing investment property for continued future use as an investment property, the property remains an investment property and is accounted for as such.

(g) Financial assets

The Company classifies its financial assets as loans and receivables which are initially measured at fair value, plus transaction costs. Loans and receivables, which include trade and other receivables, loans and cash and cash equivalents are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company considers that there are no significant differences between the historical value and fair value of its financial assets.

(h) Trade receivables, loans and other receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified under 'loans and receivables'. Loans and receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short term receivables when the recognition of interest would be immaterial.

Other receivables, that do not carry any interest, are measured at their nominal value as reduced by any appropriate allowances for irrecoverable amounts

2. ACCOUNTING POLICIES - continued

(i) Cash and cash equivalents

Cash and cash equivalents comprise current and deposit account bank balances which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. This definition is also used for the cash flow statement.

(j) Trade payables

Trade payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(k) Revenue recognition

The Group's Revenue includes rental income from investment property.

Interest is credited to income in the period in which they relate.

(l) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognized 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 recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interest in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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.

2. ACCOUNTING POLICIES - continued

(l) *Taxation - continued*

Current and deferred tax for the period

Current and deferred tax are recognized as an expense or income in the income statement, except when they relate to items credited or debited directly to equity, in which case tax is also recognized directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or in determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

(m) Equity

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.

The Convertible loan equity reserve represents the equity portion of the convertible loan notes currently in issue.

Retained earnings include all current and prior period results as disclosed in the statement of comprehensive income.

(n) *Financial liabilities*

Financial liabilities are recognised in the Group and Company statements of financial position when the Group or 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 Company's financial liabilities comprise convertible loan notes, and trade and other payables.

The fair value of the liability portion of the convertible loan notes is determined using a market interest rate for an equivalent non-convertible loan note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the loan notes. The remainder of the proceeds is allocated to the conversion option, which is recognised and included in shareholders' equity, net of tax effects.

Trade payables are recognised initially at their fair value and subsequently measured at amortised cost less settlement payments.

(o) Accounting estimates and judgements

The Company makes estimates and judgements concerning the future and the resulting estimates may, by definition, vary from the related actual results.

The Directors use estimated interest rates to calculate the value of the conversion option embedded in convertible loan notes. For the current convertible loans the Directors have used the rate of 10% in this calculation.

2. ACCOUNTING POLICIES - continued

(p) Share-based payments

The Group has applied the requirements of IFRS 2 Share-based payments

The Group operates a number of equity-settled share-based payment schemes under which share options are issued to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

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.

3. EMPLOYEES AND DIRECTORS

The Company has no employees, apart from the directors. The remuneration of the directors is set out below.

	2016	2015
	£	£
Baron Bloom	**25,000**	-
Greg Collier	**24,000**	32,000
Priyah Shah	**-**	11,000
James Kirkwood	**21,986**	-
*Stuart Black	**-**	56,000
Philip McGinlay	**35,183**	5,000
Short-term employee benefits	**106,169**	104,000
Social security costs	**8,000**	4,500
	114,169	108,500

*Stuart Black's fees were paid to his service company, Localiti Consultancy Ltd.

The average monthly number of persons employed:

	2016	2015
Office and management	**4**	3

4. SEGMENT REVENUES

A segment is a distinguishable component of the Group or Company's activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about the allocation of resources and assessment of performance and about which discrete financial information is available.

As the chief operating decision maker reviews financial information for and makes decisions about the Group's activities as a whole, the directors have identified a single operating segment, that of property investments and ancillary services. The Group operates in a single geographical segment which is the UK.

The results of the single activity are disclosed in the income statement, so no additional segmental analysis is disclosed.

5. OPERATING LOSS

The operating loss is stated after charging:

	2016	2015
	£	£
Auditors remuneration: - fees payable to the Company's auditors for the audit of the Company's annual accounts	**12,500**	8,500

6. FINANCE INCOME/(COST)

	2016	2015
	£	£
Convertible loan notes - notional interest charge	**-**	(5,998)
Convertible loan notes – reversal of notional interest charge	**4,039**	-
	4,039	(5,998)

The notional interest charge in respect of the zero coupon convertible loan notes represents the opportunity cost inherent in the conversion option of the bonds, using a discount rate of 10%.

7. TAXATION

	2016	2015
	£	£
Tax expense comprises:		
Current tax	**-**	-
Loss from continuing operations	**(203,647)**	(363,122)
Income tax expense calculated at 20% (2015 – 20%)	**(40,729)**	(72,624)
Effect of expenses not deductible for tax purposes	**3,663**	4,200
Effect of unused tax losses and tax offsets	**37,066**	68,424
	-	-

The total amount of unused tax losses for which no deferred tax asset is recognised in the balance sheet is approximately £1,080,000 (2015 - £920,000). This asset has not been recognised on the basis that it will only be recoverable when sufficient profits have accrued and this is not expected to happen for the foreseeable future.

8. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the profit or loss for the financial period attributable to shareholders by the weighted average number of shares in issue.

	2016	2015
	£	£
Loss attributable to owners of the Company:	**(203,647)**	(363,122)
	Number	Number
Weighted average number of ordinary shares for calculating basic and diluted earnings per share	**1,309,128,787**	1,025,531,436
	Pence	Pence
Basic and diluted loss per share	**(0.016)p**	(0.04)p

9. ACQUISITION

On 15 February 2016, the Company acquired 100% of the issued share capital of Pacha Sunderland Limited ("PS"), by way of a share for share exchange. The total consideration was 210,000,000 ordinary shares in the Company at a price of 0.1p per share, resulting in the former shareholders of Pacha Sunderland, Baron Bloom (current Chairman) and Oliver Fattal, obtaining 6.5% each of the issued ordinary shares of the Company at the time. PS's principal activity is property investment, holding only one asset at the time, the freehold of the Ivy Leaf Club in Sunderland. The net assets of PS at the date of acquisition were £210,000.

Net assets acquired:

	Book Value	Adjustments	Fair Value Adjustments	**Fair Value**
	£	£	£	**£**
Non-current assets	210,000	-	-	**210,000**
Non-current liabilities	-	-	-	**-**
Net assets acquired at fair value	210,000	-	-	**210,000**
Goodwill	-	-	-	**-**
Consideration				**210,000**
Satisfied by:				
Cash				**-**
Shares issued in exchange				**210,000**
Consideration				**210,000**

10. INVESTMENT PROPERTY

	GROUP		COMPANY	
	2016	2015	**2016**	2015
Fair value	**£**	£	**£**	£
Brought forward	**2,238,780**	-	**1,292,780**	-
Purchases during the year	**210,000**	1,629,688	**-**	858,839
Increase in fair value	**-**	609,092	**-**	433,941
Carried forward	**2,448,780**	2,238,780	**1,292,780**	1,292,780

During the year the Company acquired Pacha Sunderland Limited ("PS") which has title to a freehold property known as the Ivy Leaf Club in Sunderland.

The fair value of the Company's investment property at 31 March 2016 has been arrived at on the basis of external valuations provided. The valuation of the property at Darly was carried out by Knight Frank and the the valuation of the property at Roystonhill was carried out by Whitelaw, Baikie Figes.

A valuation was also carried out on the Ivy Leaf club on 11 January 2016 by MacDonald Hogg of Scarborough.

The first two valuations were carried out over a year ago, however following a review of the current market and both internal and external discussions, the Directors believe that the fair value as at 31 March 2016 does not materially differ from that of 31 March 2015.

11. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

	COMPANY	
	2016	2015
Fair value	**£**	£
At 1 April	**946,000**	-
Increase in fair value during the year	**-**	175,151
Acquisitions in the year	**210,000**	100
Loans to subsidiary undertakings	**-**	770,749
	1,156,000	946,000

The property at Roystonhill was acquired by Etaireia Holdings Limited ("EHL") financed by an intercompany loan provided by the Company. The loan accrues no interest and there is no set term for repayment. As such it has been classified as a Non-current asset.

The increase in fair value relates primarily to the valuation undertaken on the property held by EHL at Roystonhill on 15 September 2014.

Expenses and costs incurred in running the individual group entities are all born by the Company. As such any increase or decrease in the fair value of the underlying properties within that specific group entity, will result in a comparable increase or decrease in the fair value of that entity, and thus the fair value of the Investment held by the Company.

The Directors consider the carrying amount of non-current receivables approximates to their fair value.

12. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2016	2015	**2016**	2015
	£	£	**£**	£
Other receivables	**13,223**	37,986	**13,223**	37,986
Accrued income and prepayments	**200**	-	**200**	-
	13,423	37,986	**13,423**	37,986

The Directors consider the carrying amount of trade and other receivables approximates to their fair value.

13. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2016	2015	**2016**	2015
	£	£	**£**	£
Cash held on bank current accounts	**13,633**	5,070	**13,633**	5,070
Cash held on Client accounts	**-**	70,465	**-**	70,465
Cash and cash equivalents	**13,633**	75,535	**13,633**	75,535

The Directors consider the carrying amount of cash and cash equivalents approximates to their fair value.

14. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2016	2015	**2016**	2015
	£	£	**£**	£
Trade payables	**21,563**	126,716	**21,563**	126,716
Other payables	**110,729**	1,760	**110,729**	1,760
Accruals	**25,350**	19,100	**25,350**	19,100
	157,642	147,576	**157,642**	147,576

All trade and other payables are short term. The carrying values are considered to be a reasonable approximation of fair value.

15. CONVERTIBLE LOAN NOTES

On 1 August 2014 the Company issued £50,000 of zero coupon, convertible loan notes and on 23 September 2014, £40,000 of zero coupon, convertible loan notes were issued. Both issues were repayable 3 years from the date of issue if not converted prior to that date On 10 June 2015, all outstanding loan notes were converted, resulting in the issue of 36,000,000 new ordinary shares.

The net proceeds from the issue of the loan notes have been split between the liability element and an equity component, representing the fair value of the embedded option to convert the liability into equity of the company as follows:

	2016	2015
	£	£
Liability component brought forward	**70,959**	92,806
Nominal value of convertible loan notes issued	**-**	90,000
Conversion of loan notes	**(66,920)**	(94,765)
Equity component of convertible loan notes issued	**-**	(23,080)
	4,039	64,961
Notional interest (released)/charged	**(4,039)**	5,998
Liability component carried forward	**-**	70,959

The interest charged during the period is calculated by applying an effective average interest rate of 10% to the liability component for the period since the loan notes were issued.

The Directors estimate the fair value of the liability component of the loan notes at 31 March 2016 to be approximately £nil (2015: £79,959). This fair value has been calculated by discounting the future cash flows at the market rate of 10%.

16. CALLED UP SHARE CAPITAL

	2016	2015
	£	£
Issued and fully paid:		
1,525,407,476 ordinary shares of 0.01p each (2015: 1,226,607,476)	**152,541**	122,661
85,166,666 deferred ordinary shares of 0.24p each	**204,400**	204,400
	356,941	327,061

On 10 June 2015 20,000,000 ordinary shares were issued for cash at 0.25p per share raising £50,000 before expenses.

On the same day 36,000,000 ordinary shares were issued at 0.25p per share on the conversion of loan notes totaling £90,000.

On 11 November 2015, 28,800,000 ordinary shares were issued for cash at 0.25p per share raising £72,000 before expenses.

On 15 February 2016, 210,000,000 ordinary shares were issued at 0.1p to the shareholders of Pacha Sunderland Limited as part of the acquisition of 100% of the company.

On 17 February 2016, 4,000,000 ordinary shares were issued for cash at 0.25p per share raising £10,000 before expenses.

The restricted rights attaching to the deferred shares are such that the deferred shares have no economic value.

17. CONVERTIBLE LOAN – EQUITY RESERVE

	2016 £	2015 £
Balance brought forward	**23,080**	26,927
Equity component of convertible loan notes issued	-	23,080
Equity component of loan notes converted	**(23,080)**	(10,235)
Transfer to accumulated losses on conversion of loan notes	-	(16,692)
Balance carried forward	-	23,080

18. SHARE OPTIONS

On 10 April 2014, the Company granted, under the company's share option scheme, options over 74,582,872 ordinary shares to the directors of the Company. Each option carries the right to subscribe for one Ordinary Share in the Company at a price of 0.3 pence per share. These options are exercisable for a period of three years from the date of the Grant.

The fair value of the options granted during the year was determined using the Black-Scholes pricing model. The significant inputs to the model in respect of the options were as follows:

Date of grant	10 April 2014
Share price at date of grant	0.3p
Exercise price per share	0.3p
No. of options	74,582,872
Risk free rate	2%
Expected volatility	50%
Life of option	5 years
Calculated fair value per share option	0.1357p

Options outstanding at 31 March 2016 and their weighted average exercise price are as follows:

	2016 Weighted average exercise price (pence)	2016 Number	2015 Weighted average exercise price (pence)	2015 Number
Outstanding at the beginning of the year	**0.3p**	**74,582,872**	-	-
Cancelled during the year	-	-	-	-
Granted during the year:-				
Stuart Black	-	-	0.3p	46,614,295
Greg Collier	-	-	0.3p	18,645,718
Priya Shah	-	-	0.3p	9,322,859
Outstanding at the end of the year	**0.3p**	**74,582,872**	0.3p	74,582,872
Exercisable at the end of the year	**0.3p**	**74,582,872**	0.3p	74,582,872

The total share-based payment expense recognised in the income statement for the year ended 31 March 2016 in respect of options granted was £nil (2015: £101,233).

19. RELATED PARTY TRANSACTIONS

At 31 March 2016 there was an amount of £31,440 (2015: £31,440) due from the former director Stuart Black. The loan is repayable on demand and is interest-free.

On 9 April 2014, a total of 74,582,872 share options granted to directors, Stuart Black, Greg Collier and Priya Shah, at an exercise price of 0.3p per share, exercisable at any time up to and including 9 April 2019.

Key management are the directors whose compensation is disclosed in Note 3. At 31 March 2016 remuneration of £23,000 (2015: £2,000) was owed to Greg Collier, £18,986 (2015: £nil) was owed to James Kirkwood, £25,233 (2015: £nil) was owed to Phil McGinlay and £20,000 (2015: £nil) was owed to Baron Bloom.

In February 2016 the Group acquired the whole of the issued share capital of Pacha Sunderland Limited in consideration for the issue of 210,000,000 new ordinary shares at a price of 0.1p each (see Note 9). Baron Bloom was a 50% equity shareholder in Pacha Sunderland Limited.

20. POST BALANCE SHEET EVENTS

On 17 August 2016 the Company acquired 100% of the issued share capital of Pacha Cleator Limited ("PC"), a company registered in the United Kingdom, company number 10266631. PC was acquired for a total consideration of £182,000, consisting of the issue of 203,076,923 new ordinary shares at a price of 0.065p per share and £50,000 cash. A charge was registered against the company on 16 August 2016 by the director, Oliver Fattal.

21. 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:

	2016 £	2015 £
Financial assets		
Loans and Receivables	13,223	31,440
Cash and cash equivalents	13,633	75,535
	26,856	106,975

FINANCIAL LIABILITIES BY CATEGORY

The IAS 39 categories of financial liabilities included in the balance sheet and the headings in which they are included are as follows:

	2016	2015
Financial liabilities at amortised cost		
Borrowings – Convertible loan notes	-	70,959
Trade and other payables, excluding statutory liabilities	132,292	126,228
	132,292	197,187

22. FINANCIAL INSTRUMENTS (continued)

The Company 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 liquidity risk and credit risk.

(a) Liquidity risk

The directors regularly review both short and medium term cash flow projections in order to manage the Company's cash flow.

(b) Credit risk

The Company's financial instruments, that are subject to credit risk, are loans and receivables, and cash and cash equivalents. Loans and receivables comprise a loan to a former director of the Company which the directors consider to be recoverable in full. 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 £26,856 (2015: £106,975) comprising loans and receivables, and cash and cash equivalents.

(c) Capital risk management

The Company's objectives when managing capital are:

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

The Company 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 Company 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.

23. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Company had no contingent liabilities or capital commitments as at 31 March 2016 (2015: £nil).

24. ULTIMATE CONTROLLING PARTY

There was no single controlling party throughout the current or previous periods.