Company Number 01435584 (England and Wales)

ONZIMA VENTURES PLC
(FORMERLY KNOWN AS ULTIMA NETWORKS PLC)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

ONZIMA VENTURES PLC

CONTENTS

DIRECTORS AND ADVISORS

Gavin J Burnell	Chief Executive Officer
Luke S Cairns	Non-Executive Director
Humayun A Mughal	Non-Executive Director
Lorraine Young Company Secretaries Limited	Company Secretary
Registered office	190 High Street Tonbridge Kent TN9 1BE
Website	www.onzimaventures.com
Company number	01435584
Auditors	Jeffreys Henry LLP Finsgate 5-7 Cranwood Street London EC1V 9EE
Accountants	Hills Jarrett LLP Gainsborough House Sheering Lower Road Herts CM21 9RG
Solicitors	Edwin Coe 2 Stone Buildings Lincolns Inn London WC2A 3TH
Broker	Peterhouse Corporate Finance Limited 3rd Floor New Liverpool House 15-17 Eldon St London EC2M 7LD
Nominated advisor	Cairn Financial Advisers LLP 61 Cheapside London EC2V 6AX

Principal bankers	National Westminster Bank Plc PO Box 113, Cavell House 2a Charing Cross Road London WC2H 0PD
Registrars	Neville Registrars Ltd Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA

FINANCIAL HIGHLIGHTS AND STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors present their Strategic Report on the Company for the year ended 31 December 2015.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Following the disposal of the historical subsidiaries in October 2015, the Company commenced seeking to implement its investing policy.

INVESTMENTS

On 7 December 2015, Onzima made its first investment acquiring 50,000,000 new ordinary shares in Glenwick plc at a price of 0.1 pence per share, for consideration of £50,000, amounting to 20% of their fundraise.

As a result of the subscription Onzima held 3.63% of Glenwick's issued share capital as enlarged by the placing.

Glenwick is an investing company seeking to acquire companies within the natural resources sector. Initially the geographical focus will be Australasia and North America but it may also consider other regions to the extent that its Board considers that valuable opportunities exist and positive returns can be achieved.

Subsequent to the year-end Onzima disposed of the position receiving the sum of £75,500 net of all costs representing a 50% return on its investment in less than one month.

Subsequent to the year-end Onzima has also made numerous other investments primarily in the natural resources sector.

Some of those positions have been reduced or disposed of and in a number of cases the Company retains a warrant position.

In addition, subsequent to the year end, Onzima has acquired a 49% equity stake in, and provided a £209,000 loan facility to, N4 Pharma Limited an exciting early stage company in the pharmaceutical drug reformulation space.

The Company plans to continue implementing its investing policy and has a number of new opportunities under review.

FINANCIAL HIGHLIGHTS AND STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

CHIEF EXECUTIVE OFFICER'S STATEMENT

The year ended 31 December 2015 was transformational for the Company whereby the historical subsidiaries were disposed of and the Company became an Investing Company.

Simultaneous with the disposals and a fundraising of £750,000 before expenses, Luke Cairns and I joined the Board as Directors to seek to implement the investing policy of the Company adopted on 14 October 2015.

We sought to immediately be active but selective in our investments and prior to the year-end we invested £50,000 in to Glenwick plc which we sold one month later at a 50% profit.

During the first half of 2016 we have continued to build the investment portfolio in line with our investing policy, most notably with the acquisition of 49% of N4 Pharma Limited, a very exciting pharmaceutical drug reformulation company.

In addition, we have made numerous investments in the natural resources sector including Alecto Minerals plc, Bushveld Minerals Limited, Ferrum Crescent Limited, Hummingbird Resources plc, Jubilee Platinum plc, MX Oil plc, Prospex Oil & Gas plc and Regency Mines plc.

In a number of cases we have reduced or disposed of our holdings and retained warrant positions.

We have now established an asset trading division and a business development division in order to separate our various positions.

FINANCIAL

During 2015, the Company made a loss from continuing operations of £151,000 (2014: profit of £88,000).

The Company's assets at 31 December 2015 comprised primarily of an investment of £50,000 in Glenwick plc and cash balances amounting to £587,000 (2014: £347,000).

REVIEW OF THE YEAR

In October 2015, Onzima disposed of its subsidiaries and raised gross proceeds of £750,000 before expenses via a placing of new ordinary shares at a price of 0.7 pence per share simultaneously becoming an investing company under the AIM Rules.

Onzima has since commenced implementation of its investing policy and the Board is pleased with progress made. The Company's share price has increased from 0.7p to 1.7p at the time of writing.

OUTLOOK AND STRATEGY

Since the re-financing and disposal of the subsidiaries the Company has made good progress with establishing its portfolio of interesting and attractive investments. The Company also seeks to maintain a reasonable cash balance for the purpose of making new investments.

Since Onzima was restructured in October 2015, the main focus has been on investing in opportunities within the natural resources sector that provide scope to make significant gains in financing their development.

Though the sector remains difficult the strategy has to date been successful and has yielded some reasonable returns details of which shall be set out in the Company's 6 months results for the period ending 30 June 2016.

In order to diversify the portfolio we have also taken a significant stake in N4 Pharma Limited, an early stage but very exciting company within the pharmaceutical space. The market has reacted well to this position and we plan in due course to increase our exposure to this sector.

We believe that we are well placed to make some new and exciting investments and are already in discussions with a view to adding to the portfolio.

Key Developments and Outlook

Following difficult trading circumstances during 2014 and 2015 in which the Company made operating losses, the Company's previous management took action during 2015 to halt the losses through a series of actions, however these alone were not sufficient. Additionally, the cost of maintaining the Company's AIM listing outweighed the benefits. As a result the Board in place at the time came to the conclusion that the funds expended in maintaining the AIM listing would be more effectively utilised in the pursuit of growing the bottom line of the business. The Board negotiated a proposal, which was approved at an Extraordinary General Meeting of the Company on 14 October 2015, to dispose of the issued share capital of Cognito (the IT Services division) and UTN Solutions (the Green technology division).

Following the disposal of the businesses, the company is now classified as an investing company under Rule 15 of the AIM Rules. It adopted an Investing Policy which is available to view in more detail on the Company's website, http://www.onzimaventures.com/.

In line with the Investing Policy, the Board have been very active and sought suitable investments, these have included the acquisition in 2015 and subsequent disposal in early 2016 of equity in Glenwick plc in 2015, which resulted in a 50% return on the original investment of £50,000.

Also subsequent to the year end a further investment the Board has made is N4 Pharma Limited. Onzima acquired a 49% stake in N4 Pharma for £41,000 cash together with the issue of 24,272,807 new ordinary shares in Onzima alongside the provision of a loan facility to N4 Pharma of £209,000. N4 Pharma is a private company that develops new versions of existing widely used drugs to provide an improved patient experience by reformulating them using their patent protected technology platforms Cocrys® and Nuvac®. They continue to make positive progress through research and developing technology that will, following further research, form the basis for discussions with potential partners.

Post that investment the Company has made investments in numerous natural resource companies including Alecto Minerals PLC, Bushveld Minerals Ltd, MX Oil plc, Ferrum Crescent Ltd, Hummingbird Resources plc and Prospex Oil & Gas plc. In some cases the company has reduced or disposed of its equity holding and retained a warrant position. This leaves the company well positioned with circa £400,000 of cash at bank for further new investments, supporting existing investments and for general working capital.

It is the Board's intention to continue to seek suitable investments that are in line with investment policy.

Principal risks and uncertainties

Operational

The principal risks and uncertainties facing the Company are identifying suitable investments. The Board have also identified that as investments are made, it may also require further funding, until such time as the Company is self-funding. Until such time as the Company has grown and diversified its investment portfolio sufficiently, there is a risk of over-exposure to any one investment. However, at this stage in the Company's life, the current investment portfolio is not considered to carry such risk given the level of investment made.

The Group's financial instruments comprise cash and various items, such as trade receivables and trade payables that arise directly from its operations. The Group's exposure to its financial instruments is not material and therefore derivative financial instruments are not used to manage them.

The main risk arising from the Group's financial instruments can be analysed as follows:

Credit Risk

The Group's credit risk is primarily attributable to its trade receivables. Exposure to credit risk is minimised by employing effective credit management policies and procedures. Only customers known to the Group are granted credit terms.

Foreign currency risk

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the consolidated statement of comprehensive income for the period.

Liquidity risk

The Group has sufficient cash resources available to meet its short term liabilities.

Cash flow Interest rate risk

The Group has no borrowings and receives variable interest based on UK bank base rates on cash balances and bank deposits.

Payment to creditors

The Group does not follow any code or standard on payment practice and the terms and conditions for its business transactions are agreed with individual suppliers. Payment is then made in accordance with those terms, subject to the other terms and conditions being met by the supplier. Creditor days at the end of the year for the group were 123 days (2014:54 days).

Key Performance Indicators & Financial Performance

The Board intends to review key performance indicators as the business progresses, at this stage of the Company's life cycle, it is not yet able to measure key performance indicators in any meaningful way. The Board intend to publish key performance indicators in future years.

In the meantime, the Board confirm that the historical decision to dispose of Cognito and UTN Solutions achieved the effect of loss of earnings per share to (2.27)pence per share ((0.86) pence per share: 2014).

At the year end the Company had cash at bank is of £0.587m. The cash is the primary asset of the Company and enables it to select suitable investments. As identified as a risk, in time, further funding may be required which with careful and selective investment criteria should be possible to secure.

Since the new Board members have joined the Company the share price has increased from a fundraising price of 0.7p in October 2015 to 1.7p at the time of writing.

Key performance indicators

Given the change in the business during the last year historical KPI's are not appropriate. The Board intends to put in place and review key performance indicators as the business progresses. The Board intend to publish key performance indicators in future years.

Principle risks and uncertainties

The Company presently invests a significant proportion of its available capital in to natural resource companies and early stage companies generally. Some of these companies may also be unlisted or illiquid to trade. There is a risk that some of these investments may not produce a positive return for the Company and some of them may fail entirely.

At this stage in its development the Company may be reliant upon raising further funds from investors to support its growth. There is no guarantee that these funds will be available to the Company.

Environment

The Company complies with all legal requirements relating to the environment in all areas of its operations and therefore, has not incurred any fines or penalties or has not been investigated for any breach of environmental regulations.

Research and Development

The Group does not directly invest in or carry out any research and development.

Going Concern

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements. The Directors confirm that they consider that the going concern basis remains appropriate. The Directors regard the going concern basis as remaining appropriate as the Group has adequate resources to continue in operational existence for the foreseeable future, coupled with experienced Directors that are able to seek out additional funding if they believe that it is necessary.

In closing, the Board would like to extend their thanks to all their shareholders for their continued support and look forward to a successful next year.

……………………………….

G Burnell
Chief Executive Officer

30 June 2016

FINANCIAL HIGHLIGHTS
FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their annual report and audited financial statements of Onzima Ventures plc for the year ended 31 December 2015.

Business review and principle activities

The principle activities of the Group during the year prior to disposal comprised of the marketing and support of computer application software, the wholesale and retail merchandising of electric bicycles and the development and deployment of renewable energy solutions.

Following difficult trading circumstances during 2014 and 2015 in which the Company made operating losses, the Company's previous management took action during 2015 to halt the losses through a series of actions, however these alone were not sufficient. Additionally, the cost of maintaining the Company's AIM listing outweighed the benefits. As a result the Board in place at the time came to the conclusion that the funds expended in maintaining the AIM listing would be more effectively utilised in the pursuit of growing the bottom line of the business. The Board negotiated a proposal, which was approved at an Extraordinary General Meeting of the Company on 14 October 2015, to dispose of the issued share capital of Cognito (the IT Services division) and UTN Solutions (the Green technology division).

It is important to recognise that the vast majority of these financial results relate to the historical subsidiaries which have now been disposed of.

Following that disposal the business is now classified as an investing company under Rule 15 of the AIM Rules. It adopted an Investing Policy as set out below.

Investing Policy

The Company will seek to invest a minimum of 75 per cent. of its deployable capital in, and/or acquire companies or interests within, the natural resources sector - in which the new Directors have substantial experience as founders, investors and advisers.

The Company will participate as investors in fundraisings for entities being admitted to trading on AIM, in secondary fundraisings, or where such entities plan to be admitted to trading on an Exchange within 18 months of investment by the Company.

Investments are likely to be held for the short to medium term in the case of publicly-traded holdings and for the longer term in respect of private holdings until there is a liquidity event when the Company may seek to reduce its exposure. There will be no minimum or maximum limit on the length of time an investment is held.

Initially the geographical focus will be Africa and North America but investments may be considered in other regions to the extent that the Board considers that an opportunity exists where significant returns can be made.

The Company may also invest in assets, projects or joint ventures using equity or debt structures, gaining direct exposure. Investments will generally be made on a passive basis unless there is a requirement to provide management or other expertise to the investee entity in seeking to generate positive returns for the Company.

In selecting investment opportunities, the Board will focus on companies, assets and/or projects that it believes are available at attractive valuations and where there is an opportunity to benefit from value uplift. The Company's equity holdings or interests may range from a minority position to 100 per cent. ownership.

The Directors will conduct due diligence appraisals of potential investments, businesses or projects and, where they believe further diligence is required or warranted, intend to utilise appropriately qualified persons to assist. The Directors believe they have a network which is likely to provide various opportunities which may prove suitable.

The Company does not plan to have cross-holdings in entities save where there is a portfolio of related assets outside of the Company's control.

The Board considers that as investments are made, and new investment opportunities arise, further funding of the Company may also be required which is likely to be in the form of equity, until such time as the Company is self-funding.

It is intended that returns for Shareholders will initially be in the form of capital growth, subject to appreciation in the value of the investments made by the Company. In the longer term, if the Company becomes cash generative, then the plan will be to put in place an appropriate dividend policy as appropriate for a Company with its activities at that time.

The Company plans to have a maximum of fifteen investments / interests at any one time. Though there will be no maximum exposure to any one investment, it will generally seek to diversify its portfolio holdings. The Company's financial resources may ultimately be invested in a number of propositions or in just one investment, which may be deemed to be a reverse takeover pursuant to Rule 14 of the AIM Rules requiring shareholder approval.

The Company also intends to acquire over a period of time a diversified portfolio of royalties. These will consist, in varying proportions, of royalties over:
- producing properties purchased at a discount to perceived value;
- producing properties with enhanced production possibilities; and
- non-producing properties where advanced exploration is likely.

It is intended that over the longer term the royalty investments will provide cashflow to finance further investment opportunities, minimising dilution to Shareholders through reduced equity financing requirements.

The Company does not currently intend to fund any investments with debt or other borrowings but may do so if appropriate. The Board may also offer New Ordinary Shares in the capital of the Company by way of consideration as well as utilising cash, preserving the Company's cash for additional opportunities and working capital.

Under the Company's investing policy the remaining 25 per cent. of the Company's deployable capital can be invested in to non-natural resource based interests that fit the same criteria as above.

Directors

The Directors during the year under review were:
Gavin Burnell (appointed 14.10.2015)
Luke Cairns (appointed 14.10.2015)
Humayun Mughal
Norren Imam (resigned 27.2.2015)
Anthony Klein (resigned 14.10.2015)

Biographies for each current director can be found on the Company’s website.

Results and dividends

The Group loss for the year before taxation amounted to £164,000 (2014: loss of £5,000), taxation refund for the year of £13,000 (2014: £93,000) and a loss after tax of £151,000 (2014: loss of £88,000). Total comprehensive income for the year was £(1,000,000) (2014:£(2,410,000)).

The directors do not recommend the payment of a dividend for 2015. No dividends were paid or proposed or paid in 2014.

Provision of information to auditor

So far as each of the Directors is aware at the time the report is approved, there is no relevant information of which the Group auditor are unaware and the Directors have taken all steps that they ought to make themselves aware of any relevant audit information and to establish that the Group auditor are aware of that information.

Financial Risk Management

The Company's operations expose it to a variety of financial risks which are outlined within the Strategic Report.

Environment and Social Community Issues

The Directors consider the impact of the Company's business on the environment and community issues to be minimal due to the nature of the Company's business. The Directors consider that the Investment Policy provides for the Company to identify opportunities that will allow for enhancements to both the environment and the wider community.

Employees

The Company does not currently employ any staff. The Directors act for the Company in implementing its Investment Policy.

DIRECTORS REPORT (continued)
FOR THE YEAR END 31 DECEMBER 2015

Substantial Interests
At 27 June 2016 the following parties had notified the Company of a beneficial interest that represents 3% or more of the Company's issued ordinary share capital at that date:

	Number of shares	% held
Akhter Group Limited and related parties	11,232,517	6.17
Barclayshare Nominees Limited	7,189,733	3.95
Hargreaves Lansdown (Nominees) Limited Des:HLNOMM	14,220,466	7.82
Hargreaves Lansdown (Nominees) Limited Des:VRA	8,454,651	4.65
Hargreaves Lansdown (Nominees) Limited Des:15942	10,511,392	5.78
HSDL Nominees Limited	6,922,135	3.80
HSDL Nominees Limited Des:Build	5,811,268	3.19
Pershing Nominees Limited Des:MDCLT	6,430,571	3.53
SVS (Nominees) Limited Des:Pool	7,016,861	3.86
TD Direct Investing Nomineesa (Europe) Limited Des: SMKTNOMS	6,021,853	3.31
Mr Nigel Theobald	25,072,807	13.78
Mr Myles McNulty	9,000,000	4.95

Directors and Directors' interest
The Directors who are currently in office are shown on page 10. The emoluments, share interest and share options of the Directors are disclosed in the Directors Remuneration Report on pages 18 to 19.

Employees
It is Group policy that employees should be kept as fully informed as is feasible and practicable about the activities of the Group through consultative meetings. In addition, managers hold regular meetings with representatives of their staff in order to encourage employees to make their views known on matters that affect them.

Pensions
No contributions were paid in respect of the Directors.

Events after reporting date
There were no significant events after the reporting date.

Share Option schemes

The Company's Microvitec 1994 Inland Revenue Approved Executive Share Option Scheme approved by the Company in the Annual General Meeting 1994 has now terminated (the "Old Scheme"). There are no options to acquire ordinary shares in the capital of the Company outstanding under the Old Scheme (2013: Nil).

Ultima Networks Plc 2004 Share Option Scheme

The scheme was approved by the AGM held on 28 May 2004. No options to subscribe for ordinary shares of 1p each have been granted to date.

Ultima Networks Plc 2012 Share Option Scheme

The scheme was approved by the AGM held on 26th June 2012. No options to subscribe for ordinary shares of 1p each have been granted to date.

Options were issued to G Burnell and L Cairns. (For further details refer to note 26)

Charitable and political contributions

There were no donations to UK charitable organisations (2014: £Nil) and no political donations (2014: £Nil).

Directors' responsibilities

The directors are responsible for preparing the strategic report, directors' report and 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, as required by the AIM Rules of the London Stock Exchange, elected to prepare the group and company financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. 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 company and the group and of the profit or loss of the group for that period. In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the group financial statements have been prepared in accordance with IFRS's as adopted by the European Union;
- state, with regard to the parent company financial statements, whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that company and the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions that disclose with reasonable accuracy at any time the financial position of the company and the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of any corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to auditors

So far as each Director is aware, there is no relevant audit information of which the Group's auditors are unaware. Additionally the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of the information.

Annual General Meeting

The Annual General Meeting of the Company is to be held at Akhter House, Perry Road, Harlow, Essex CM18 7PN on Thursday 30 June 2016 at 8.30am. Details of the business to be considered at the meeting are given below.

Appointment of Directors (Resolution 1 and 2)

Under the company's articles of association, following their appointment as directors, Gavin Burnell and Luke Cairns are required to have their appointment ratified, a resolution for the appointment of Gavin Burnell and Luke Cairns as Directors of the Company will be put to the annual general meeting.

Re-election of a Director (Resolution 3)

Under the company's articles of association, Professor Humayun Mughal retires by rotation and offers himself for re-election.

Authority of Directors to allot shares (Resolution 4 and 5)

The Directors seek authority to allot up to a maximum of 162,904,743 ordinary shares. Further, in order to retain some flexibility at this stage in the Company's development, the Directors seek power to allot 162,904,743 equity securities wholly for cash other than on a pre-emptive basis to current shareholders pro-rata to their existing holdings. This amount represents 100% of the issued ordinary share capital as at 1 June 2016. These authorities will continue in force until the AGM to be held in 2017 or 30 June 2017, whichever is the earlier.

General Meeting

A General Meeting of the Company is to be held at Shakespeare Martineau LLP, 6th Floor, 60 Gracechurch Street, London EC3V 0HR Friday 19 August 2016 at 10.00am. Details of the business to be considered at the meeting are given below.

Annual Report & Accounts (Resolution 1)
It is a requirement of company law that the annual report and accounts is laid before shareholders in general meeting.

Auditors (Resolution 2)
A resolution for the reappointment Jeffreys Henry LLP as the company's auditor will be put to the annual general meeting, together with the usual practice of authorising the directors to set the auditor's fees.

Approval

The Report of the Directors was approved by the Board on 30 June 2016 and signed on its behalf by

………………………………………..

Gavin Burnell
Chief Executive Officer

CORPORATE GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

As a company quoted on the AIM of the London Stock Exchange, the company is not required to comply with the provisions of the 2006 Financial Reporting Council's revised combined Code. However, the Board has sought to commit to ensuring that proper standards of corporate governance operate throughout the Group and has therefore followed the principles of the Code so far as is practicable and appropriate to the nature and size of the Group. One of the principles is that an explanation should be given where the Code is not complied with. A statement of the directors' responsibilities in respect of the financial statements is contained within the Report of the Directors above. The statement below describes the role of the Board and its committees, followed by a statement regarding the groups system of internal controls.

The Board
The activities of the Group are ultimately controlled by the Board of Directors, which at the year-end consisted of three directors. Biographical details of all three directors are available on the Company's website. All directors are equally accountable under law for the proper stewardship of the Company's affairs. The Non-executive director has a particular responsibility to ensure that the strategies proposed by the Executive director are fully discussed and critically examined.

The Non-executive directors are Luke Cairns and Humayun Mughal and the Board considers Luke Cairns to be independent.

The Board meets at least four times a year, and more as the need arises. The Board reviews performance of investments, its strategy, examines capital expenditure and acquisitions or disposals, operating budgets and material contracts.

All directors have letters of appointment with the Company. Any director appointed during the year is required, under the Company's Articles of Association, to retire and seek re-election by the shareholders at the next Annual General Meeting and one third of the Board is required to retire each year and seek re-election. The directors are able to take independent professional advice at the expense of the company in the furtherance of their duties.

Nominations committee
The appointment of directors is a matter for the Board as a whole and therefore a nominations committee is considered unnecessary given the present number of Board members.

Audit committee
The Audit committee comprises of the two non-executive directors: Luke Cairns and Humayun Mughal. This committee assists the Board in its duties regarding the Group's financial statements and the maintenance of adequate internal financial controls. The Audit Committee's prime tasks are to receive reports from the Company's auditors, Jeffreys Henry LLP, and to review the half-yearly and annual accounts before they are presented to the Board, focusing in particular on accounting policies and compliance and areas of management judgements and estimates.

There is no internal audit function for the Group, as the Board does not believe that this is appropriate given the size of the business.

Remuneration committee
The Remuneration Committee comprises of the two Non-executive directors Luke Cairns and Humayun Mughal. Details of the executive remuneration policy are set out in the separate Directors' Remuneration Report on pages 18 and 19.

CORPORATE GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2015

Shareholder relations

The Board has a policy of providing any reasonably requested historical information and explanations to shareholders on request. The Group's annual reports are sent to shareholders. These reports are also available from the company's website along with the Group's half yearly reports and all public announcements. All shareholders are encouraged to participate in the company's Annual General Meeting, which is attended by the directors.

Internal control and financial reporting

The Board is responsible for ensuring that there is a system of internal control for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Audit Committee has been delegated responsibility by the Board for discharging its internal control responsibilities.

The Board has established an organisational structure with clearly defined levels of responsibility and delegation of authority. Control procedures include annual budget approval and monitoring of actual performance. The Board approves all investment and acquisition projects for all major acquisitions and major capital expenditure.

The Board has a clear responsibility for identifying risks facing each of the businesses and for putting in place procedures to mitigate and monitor risks. As part of the annual budgeting process risks are formally assessed by the Board.

There is a system of financial reporting and budget planning. On a monthly basis, actual results are reported and compared to budget with any significant adverse variances being examined and any remedial action taken as necessary.

The directors believe that, taken as a whole, the systems of internal control are appropriate to the business for the year ended 31 December 2015.

DIRECTORS' REMUNERATION REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present the Directors remuneration report for the financial year ended 31 December 2015. It should be noted that, as a company quoted on the AIM market of the London Stock Exchange, the company is not required to comply with the Remuneration Report regulations and therefore, not all elements of the regulations have been complied with. For example, a share price graph has been omitted.

Remuneration committee
The Remuneration committee consists of Non-executive directors Luke Cairns and Humayun Mughal having been appointed to the committee 14 October 2015.

The Remuneration committee determines any remuneration and benefits packages of the executive directors and considers any service contracts, salaries, other benefits, including bonuses and participation in the company's share option plans, and any other terms and conditions of employment including any compensation payments on termination of office.

Remuneration policy
Any basic salaries and benefits in kind are set to be comparable with those of peer group companies. The Company operates historic share schemes but these do not form part of the current remuneration policy. It is planned to put in place a formal share option scheme in due course.

Non-executive directors
The Non-executive directors do not have a contract for services. The Non-executive directors have letters of appointment concerning, amongst other things, the initial terms for which he was appointed, a general statement of their role and duties, the fees they will receive as a director and any supplementary fees receivable for additional work, such as being a member of more than one Board committee. The fees of Non-executive directors are determined by the full Board within the limits set out in the Memorandum and Articles of Association.

Service contracts and letters of appointment

The company does not have service contracts in respect of the Executive Directors. The letters of appointment in respect of the Non-executive directors who served during the year ended 31 December 2015 is for a rolling 12 month period. The letters of appointment do not contain notice periods or provision for termination payments.

Directors' remuneration and interests

Directors' remuneration payable for the year ended 31 December 2015 was as follows:

	Basic Salary £000	Fees £000	Benefits in kind £000	Share based payments Total £000	2015 Total £000	2014 Total £000
Executive						
H A Mughal	-	-	45	-	45	60
A P Klein	-	9	-	-	9	12
G Burnell	-	-	-	25	25	-
Non-Executive						
P J Barron	-	-	-	-	-	12
L Cairns	-	-	-	6	6	-
	-	9	45	31	85	84

DIRECTORS' REMUNERATION REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2015

The beneficial interest in the share capital of the company of those persons, who were directors at the year end, as recorded in the register of the Director's interest, were as follows:

	31 December 2015		31 December 2014	
	Ordinary shares of 1p	Ordinary share options	Ordinary shares of 1p	Ordinary share options
H A Mughal	11,232,517	-	112,325,176	-
G Burnell	3,571,428	10,804,840	-	-
L Cairns	-	2,701,210	-	-

At 31 December 2015 no options were outstanding over shares granted to two directors: Gavin Burnell and Luke Cairns who were granted 10,804,840 and 2,701,210 share options respectively. No director has granted or exercised any share options during this or the previous year nor did any lapse.

Directors' remuneration and interests (continued)

Beneficial holdings include the directors' personal holdings and those of their spouse and children as well as holdings in family trusts of which the directors' spouse or their children are beneficiaries or potential beneficiaries.

The closing mid-market price at 31 December 2015 was 0.55p and the range during the year was 4.75p to 0.55p.

Approval
The Directors' Remuneration Report was approved by the Board on 30 June 2016 and signed on its behalf by:

……………………………………………………….

Gavin Burnell
Chief Executive Officer

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ONZIMA VENTURES PLC

We have audited the financial statements of Onzima Ventures Plc for the year ended 31 December 2015, which comprise the Consolidated Statement of Comprehensive Income, Company Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Cash Flows, Company Statement of Cash Flows and the related notes on pages 22 to 59. 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 regards the parent company financial statements 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 Statement of Directors' Responsibilities set out on page 14, 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 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 and Parent 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 Financial Highlights and Strategic Report and Directors' Report to identify material inconsistencies with the audited financial statements and 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 misstatement or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's state of affairs as at 31 December 2015 and of the group's loss and the group's and parent company's cash flow for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRS's as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRS's as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the provisions 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 Directors' Report 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.

David Warren (Senior Statutory Auditor)

For and on behalf of Jeffreys Henry LLP, statutory auditor

Finsgate
5-7 Cranwood Street
London
EC1V 9EE
United Kingdom

Date: 30 June 2016

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
AS AT 31 DECEMBER 2015

	Note	2015 £000	Restated 2014 £000
Revenue		-	-
Cost of sales		-	(-)
Gross profit		-	-
Administration expenses		(160)	(-)
Operating (loss)/profit	5	(160)	(-)
Exceptional items	6	(-)	(-)
Finance (expenditure)/income	9	(4)	(5)
Profit/(loss) before taxation		(164)	(5)
Taxation recovery	11	13	93
Profit/(loss) for the year from continuing operations		(151)	88
Discontinued operations			
Loss for the year from discontinued operations	7	(902)	(2,482)
Profit/(loss) for the year		(1,053)	(2,394)
Other comprehensive income:			
Exchange difference on translating foreign operations		53	(16)
Total comprehensive income for the year attributable to equity holders of the parent		(1,000)	(2,410)
Basic and diluted loss per share – pence	12	(2.27)	(0.86)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	2015 £000	2014 £000
ASSETS			
Non current assets			
Property, plant and equipment	13a	-	616
Intangible assets – development costs	13b	-	-
Investments	14	50	-
Total non current assets		50	616
Current assets			
Inventories	16	-	347
Trade and other receivables	17	21	539
Cash and cash equivalents	18	587	347
Total current assets		608	1,233
Total assets		658	1,849
LIABILITIES			
Current liabilities			
Trade and other payables	19	-	503
Current tax liabilities		-	76
Accruals and deferred income		17	228
Total current liabilities		17	807
Total liabilities		17	807
Net assets		641	1,042

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
AS AT 31 DECEMBER 2015

	Note	2015 £000	2014 £000
EQUITY			
Capital and reserves attributable to equity holders of the parent			
Called up share capital	22	8,409	8,299
Share premium account		6,503	5,843
Other reserves		-	202
Share option reserve		31	-
Retained Earnings		(14,302)	(13,249)
Translation of foreign operations		-	(53)
		641	1,042

These financial statements were approved by the board of directors on 30 June 2016 and were signed on its behalf by:

....
Gavin Burnell
Chief Executive Officer

Company Registration Number 01435584

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	2015 £000	2014 £000
ASSETS			
Non current assets			
Property, plant and equipment	13a	-	344
Intangible assets – development costs	13b	-	-
Goodwill		-	-
Investments	14	50	292
Total non current assets		50	636
Current assets			
Inventories	16	-	44
Trade and other receivables	17	21	1,859
Cash and cash equivalents	18	587	149
Total current assets		608	2,052
Total assets		658	2,688
LIABILITIES			
Current liabilities			
Trade and other payables	19	-	2,002
Current tax liabilities		-	72
Accruals and deferred income		17	190
Total current liabilities		17	2,264
Total liabilities		17	2,264
Net assets		641	424

COMPANY STATEMENT OF FINANCIAL POSITION (continued)
AS AT 31 DECEMBER 2015

	Note	2015 £000	2014 £000
EQUITY			
Capital and reserves attributable to equity holders of the parent			
Called up share capital	22	8409	8,299
Share premium account		6,503	5,843
Other reserves		-	202
Share option reserve		31	-
Retained Earnings		(14,302)	(13,920)
		641	424

These financial statements were approved by the board of directors on 30 June 2016 and were signed on its behalf by:

....
Gavin Burnell
Chief Executive Officer

Company Registration Number 01435584

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £000	2014 £000
Profit/(loss) for the financial year	(1,053)	(2,394)
Taxation recoverable	(13)	(93)
Interest	4	5
Comprehensive income	53	(16)
Movement in reserves	(171)	-
Depreciation charges	230	532
Amortisation of intangibles	-	1,207
Operating profit before changes in working capital	(950)	(759)
Decrease/(Increase) in inventories	347	88
Decrease/(Increase) in trade and other receivables	518	333
(Decrease)/increase in trade payables and other capital liabilities	(790)	(42)
Cash (used in)/generated from operations	(875)	(380)
Taxation	13	40
Net cash (used in)/generated from operating activities	(862)	(340)
Cash flows from investing activities		
Movement in property, plant and equipment	386	218
Development expenditure	-	289
Other intangibles	-	-
Movement in investments	(50)	-
Net proceeds of ordinary shares issue	770	-
Net cash used in investing activities	1,106	507
Cash flows from financing activities		
Interest received	(4)	(5)
Net cash generated from financing activities	(4)	(5)
Net (decrease)/increase in cash and cash equivalents	240	162
Cash and cash equivalents at beginning of the period	347	185
Cash and cash equivalents at end of the period	587	347

COMPANY CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £000	2014 £000
Profit/(Loss) for the financial year	(382)	(1,329)
Interest payable	-	-
Disposal of investments	292	-
Movement in reserves	(171)	-
Depreciation charges	232	1,344
Operating profit before changes in working capital	(29)	15
(Increase)/decrease in inventories	44	(34)
(Increase)/decrease in trade and other receivables	1,838	123
(Decrease)/increase in trade payables and other current liabilities	(2,247)	(25)
Cash (used in)/generated from operations	(394)	79
Taxation	-	39
Net cash (used in)/generated from operating activities	(394)	118
Cash flows from investing activities		
Movement in investments	(50)	-
Net costs of ordinary shares issue	770	-
Purchase of property, plant and equipment	112	576
Net cash used in investing activities	832	576
Cash flows from financing activities		
Interest paid	-	-
Written off investments	-	(611)
Dividend received	-	-
Net cash generated from financing activities	-	(611)
Net (decrease)/increase in cash and cash equivalents	438	83
Cash and cash equivalents at beginning of the period	149	66
Cash and cash equivalents at end of the period	587	149

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

GROUP

	Called up share capital	Share premium	Other reserves	Share option reserve	Retained earnings	Translation of foreign operations	Total Equity
	£000	£000	£000	£000	£000	£000	£000
Year ended 31 December 2015							
As 1 January 2015	8,299	5,843	202	-	(13,249)	(53)	1,042
Share issue	110	660	-	-	-	-	770
Movement in reserves	-	-	(202)	-	-	-	(202)
Share option reserve	-	-	-	31	-	-	31
Total comprehensive income for the year	-	-	-		(1,053)	53	(1,000)
At 31 December 2015	8,409	6,503	-	31	(14,302)	-	641
Year ended 31 December 2014							
As 1 January 2014	8,299	5,843	202	-	(10,855)	(37)	3,452
Share Issue	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(2,394)	(16)	(2,410)
At 31 December 2014	8,299	5,843	202	-	(13,249)	(53)	1,042

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

COMPANY

	Called up share capital	Share premium	Other reserves	Share option reserve	Retained earnings	Total Equity
	£000	£000	£000	£000	£000	£000
Year ended 31 December 2015						
As 1 January 2015	8,299	5,843	202	-	(13,920)	424
Share issue	110	660	-	-	-	770
Movement in reserves	-	-	(202)	-	-	(202)
Share option reserve	-	-	-	31	-	31
Profit for the period	-	-	-	-	(382)	(382)
At 31 December 2015	8,409	6,503	-	31	(14,302)	641
Year ended 31 December 2014						
As 1 January 2014	8,299	5,843	202	-	(12,019)	2,325
Share Issue	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(1,901)	(1,901)
At 31 December 2014	8,299	5,843	202	-	(13,920)	424

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. GENERAL INFORMATION

Onzima Ventures Plc ("the company") and its subsidiaries (together "the Group") were involved in the marketing and support of computer application software and the merchandising of various products, but primarily electric bicycles.

The company sold the subsidiaries on 14 October 2015 and operates now as an investment holding company.

The company is a public limited company, which is quoted on the AIM of The London Stock Exchange and is incorporated and domiciled in the United Kingdom. The address of its registered office is 190 High Street, Tonbridge, Kent, TN9 1BE.

The Group's and company's financial statements for the year ended 31 December 2015 were authorised for issue by the Board of Directors on 30June 2016 and the balance sheets were signed on the Boards behalf by Gavin Burnell.

2. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all years presented, unless otherwise stated.

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Union, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

These financial statements have been prepared on the historic cost basis except where financial instruments are required to be carried at fair value under IFRS.

A separate income statement for the parent company has not been presented as permitted by section 408(4) of the Companies Act 2006. The parent company had a loss of £382,000 (2014: Loss £1,938,000).

The financial statements are presented in pounds sterling, being the functional currency of the parent and all values are rounded to the nearest thousand pounds (£000) except where otherwise indicated.

Going concern

Having reviewed the future plans and projections for the business, the directors are satisfied that the Group has adequate resources to continue to operate for the foreseeable future, a period not less than twelve months from the date of this report. This will also depend on the continuing support from the shareholders and directors. For these reasons, the directors continue to adopt the going concern basis in preparing the financial statements.

Were the group unable to continue as a going concern, adjustments would have to be made to the statement of financial position of the group to reduce the value of assets to their recoverable amounts, to provide for future liabilities that might arise and to reclassify non-current assets and long-term liabilities as current assets and liabilities.

Basis of consolidation

The consolidated financial statements incorporate the results and net assets of Onzima Ventures Plc and its subsidiary undertakings (together referred to as "the Group") for the year ended 31 December 2015. A subsidiary is an entity over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than 50% of the voting rights. The results of each subsidiary are included from the date that control transferred to the group and are adjusted to align accounting policies with the Group's accounting policies. Subsidiaries are no longer consolidated from the date that control ceases. Unrealised gains on transactions between the group and its subsidiaries are eliminated and unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. All intercompany balances and transactions are eliminated in full. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the group.

Company investment in subsidiaries

In its separate financial statements, the company recognises its investments in subsidiaries at cost. Income is recognised from these investments only in relation to distributions received from post acquisition profits.

2. ACCOUNTING POLICIES (continued)

Share-based payments

For equity settled share based payment transactions the Group, in accordance with IFRS 2 “Share Based Payments” measures their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted. The fair value of those equity instruments is measured at the grant date using the Black-Scholes method. The expense is apportioned over the vesting period of the financial instrument and is based on the number which is expected to vest and the fair value of those financial instruments at the date of grant. If the equity instruments granted vested immediately, the expense is recognised in full.

Goodwill

Goodwill on acquisitions comprises the excess of the fair value of the purchase consideration over the fair value of indefinable assets and liabilities acquired. Goodwill is recognised as an asset on the Group’s balance sheet in the year in which it arises. Goodwill is not amortised and is tested impairment at least annually and more frequently if events or changes indicate that the carrying value may be impaired and is carried at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to the cash generating units on which it arose. Any impairment is recognised immediately in the consolidated statement of comprehensive income and is not subsequently reversed.

The Group has elected to take exemption not to apply IFRS 3 retrospectively to business combinations occurring prior to that date of transition to IFRS. Under IFRS 3 any goodwill arising on such acquisitions is not amortised, but is subject to impairment reviews.

Other intangible assets

Other intangible assets include technology platform and customer relationships. These are only recognised if acquired in a business combination. They are stated at fair value less accumulated amortisation. These assets are amortised over their estimated useful lives of 10 years and the charge is included in administration expenses.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue consists of the fair value (excluding VAT) of consideration receivable for goods and services supplied to third parties.

Revenue from the sale of software product licences is recognised at the time the software licence is granted at which point all obligations have been met. Revenue relating to hardware and software support is recognised proportionally over the period to which it relates. Revenue from the sale of other products is recognised when the Group has delivered the products and there is no unfulfilled obligation that could affect the customer’s acceptance of the products.

2. ACCOUNTING POLICIES (continued)

Research and development

All research expenditure is written off in the year in which it is incurred. Unless certain conditions are met, all development expenditure is also written off in the year in which it is incurred.

The Group incurs development costs that are design costs relating to the production of new or substantially improved devices and products for the Group's 'Powacycle' and 'Infineum' range of electric bicycles and development costs that relate to the production of new or substantially improved application software products for the legal profession.

Development costs are capitalised only if the following conditions are met: the development is technically feasible of being completed so that it will be available for use or sale, the directors intend to complete the development and use or sell it, the Group has the ability to use or sell the product, the directors have assessed how the asset will generate probable future economic benefit, there is adequate technical, financial and other recourses available to complete development and the expenditure attributable to the development can be measured reliably. If all these conditions are met then the associated development costs are amortised on a straight line basis over the useful life of the asset, which is estimated to be 3 years. Amortisation begins only when the asset is ready for use. The amortisation charged during the year is included within administration expenses within the income statement.

Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments and whose operating results are reviewed on a regular basis by the Group's board and for which discrete financial information is available. A geographical segment is engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different form those of segments operating in other economic environments.

Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and any recognised impairment in value. Cost comprises the aggregate amount paid to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

All land and buildings are included at valuation. Valuations are kept up-to-date through periodic valuations carried out by external valuers.

Depreciation is provided evenly on the cost (or valuation where appropriate) of the assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for the other assets are:

Freehold buildings	- 25 to 50 years
Office equipment	- 3 to 5 years
Motor vans	- 4 years
Computer equipment	- 3 years

The assets' residual values, useful lives and methods of depreciation are reviewed, and adjusted, if appropriate, on an annual basis. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. A gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year that the asset is derecognised.

2. ACCOUNTING POLICIES (continued)

Impairment of assets

At each balance sheet date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset, which is the higher of its fair value less costs to sell and its value in use, is estimated in order to determine the extent of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment charge is recognised in the income statement in the year in which it occurs. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. The carrying amount of the asset is increased to the revised estimate of its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of raw materials, consumables and goods purchased for resale means actual price, including transport and handling and is determined using FIFO method. Net realisable value means estimated net selling price less estimated costs of disposal.

Trade and other receivables

Trade receivables are recognised initially stated at fair value and subsequently measured at amortised cost using the effective interest rate method. Provision against trade receivables is made when there is objective evidence that the Group will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write-down is determined as the difference between the asset’s carrying amount and the present value of estimated future cash flows.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within financial liabilities in current liabilities on the balance sheet.

Trade and other payables

Trade payables are not interest bearing and are initially stated at their fair value and then subsequently measured at amortised cost using the effective interest method.

Foreign currencies

Prior to the disposal transactions in foreign currencies are dealt with on the Group’s behalf by Akhter Group Limited. Therefore, any transactions of the Group in foreign currencies are settled by Akhter Group Limited and were converted to pounds sterling at pre-agreed spot rates for reimbursement by the Group. For the consolidation purposes, the assets and liabilities of overseas subsidiary undertakings are translated at the closing exchange rates. Income statements of such undertakings are consolidated at the average rates of exchange during the year. Exchange adjustments arising are classified as equity and transferred to the Group’s foreign currency translation reserve. Such translation differences are recognised as income or as expenses in the period in which the foreign undertaking is disposed of.

2. ACCOUNTING POLICIES (continued)

Income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised using balance sheet liability method, providing for temporary differences between the tax bases and the accounting bases of assets and liabilities. Deferred income tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates and law enacted or substantively enacted at the balance sheet date.

Deferred income tax liabilities are recognised for all temporary differences, except when deferred income tax liabilities arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax is charged or credited to 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 income tax assets and liabilities are offset against each other only when the Group has a legal enforceable right to do so.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Pensions

The Group does not operate any pension schemes, but does contribute to the personal pension schemes (defined contribution) of certain staff. The contributions are charged as an expense as they fall due. Any contributions unpaid at the balance sheet date are included as an accrual at that date. The Group has no future payment obligations once the contributions have been paid.

Leased assets – Group as lessee

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the Group. All other leases are classified as operating leases.

Assets leased under operating leases are not recorded on the balance sheet. Rentals payable are charged direct to the income statement. Lease incentives, for example, up-front cash payments or rent free periods, are capitalised and spread over the period of the leased term. Payments made to acquire operating leases are treated as prepaid lease expenses and amortised over the useful life of the lease.

Leased asset - Group as lessor

Assets leased out under operating leases are included in property, plant and equipment and depreciated over their useful lives. Rental income, including the effect of lease incentives, is recognised on a straight line basis over the lease term.

Components of equity

Equity comprises the following:

- Share capital represents the nominal value of equity shares,
- Share premium represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue,
- Other reserves represents Merger Reserve and represents the difference between the value of the shares acquired and the nominal value where the shares have been issued as part of the consideration for acquisitions, and
- Share options reserves relate to the charge for the share based payment in accordance with IFRS 2.
- Profit and loss reserve represents retained profits.

2. ACCOUNTING POLICIES (continued)

Use of assumptions and estimates

The Group makes judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The resulting accounting estimates calculated using these judgements and assumptions will, by definition, seldom equal the related actual results but are based on historical experience and expectations of future events. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revisions and future periods if the revision affects both current and future periods.

The estimate and assumptions that have a significant effect on the amounts recognised in the financial statements are:

- Establish depreciation and amortisation periods for the Group,
- Estimates in relation to future cash flows and discount rates utilised in impairment testing,
- Whether development costs meet the capitalisation criteria in IAS 38,
- Estimates of net realisable values of inventories under IAS 2, and
- Management intentions for realisation of tax assets and liabilities under IAS 12.

STATEMENT OF COMPLIANCE

Issued International Financial Reposting Standards (IFRS) and Interpretations (IFRICS) relevant to the Group Operations

There are no IFRS or IFRIC interpretations that are effective for the first time in this financial period that would be expected to have a material impact on the Company.

Standards, interpretations and amendments to published standards that are not yet effective

There are no other IFRS and IFRIC interpretations that are not yet effective that would be expected to have a material impacts on the company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

3. SEGMENTAL REPORTING

The Group operated in the United Kingdom, Italy and Spain until it was sold on 14 October 2015
Prior to disposal, the Group was organised into two principal business segments:

- IT and related services (comprising legal and publishing application software)
- Green technology (comprising electric bicycles, energy saving lamps, educational electronic kits and development of solar power parks)

The company now operates as an investment holding company.

The segmental results for the year ended 31 December 2015 are as follows: (Refer to Note 7)

	IT and related services UK £000	Green technology £000	Unallocated £000	Group £000
Revenue	579	311	-	890
Depreciation	-	-	230	230
Amortisation	-	-	-	-
Interest payable	-	4	-	4
Operating profit/(loss)	(21)	(141)	-	(162)

3. SEGMENTAL REPORTING (continued)

The segmental results for the year ended 31 December 2014 were as follows:

	IT and related services UK £000	Green technology £000	Unallocated £000	Group £000
Revenue	828	399	137	1,364
Depreciation	38	2	492	532
Amortisation	804	393	10	1,207
Interest payable	-	5	-	5
Operating profit/(loss)	(1,186)	(352)	(188)	(1,726)

The other information of the segments are as follows:

2015	IT and related services UK £000	Green technology £000	Unallocated £000	Group £000
Segment assets	-	-	658	658
Segment liabilities	-	-	(17)	(17)
Net assets	-	-	641	641

3. SEGMENTAL REPORTING (continued)

The other information of the segments was as follows:

2014	IT and related services UK £000	Green technology £000	Unallocated £000	Group £000
Segment assets	953	896	-	1,849
Segment liabilities	(420)	(387)	-	(807)
Net assets	533	509	-	1,042

4. PRESENTATIONAL ADJSTMENTS

The prior year results have been restated to reflect the discontinued operation in 2015. Refer to note 7 for more details.

5. OPERATING PROFIT

	2015 £000	2014 £000
Operating profit is stated after charging:		
Depreciation plant and equipment	230	532
Amortisation of intangible assets	-	1,207
Operating leases – rent of building	43	79

6. EXCEPTIONAL ITEMS

	2015 £000	2014 £000
Legal provision	-	-
Redundancy costs	-	-
Legal costs	-	-
Disposal of investments & impairment of development costs	-	756

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

7. DISCONTINUED OPERATIONS

On the group entered into a sale agreement to dispose of Cognito Software Solutions Limited, UTN Solutions (North) Limited and Tre-Sol Italia srl, which carried out all of the group's operations. The disposal was completed on 14 October 2015 on which date control of Onzima Ventures PLC passed to the acquiror.

The results of the discontinued operations, which have been included in the consolidated income statement, were as follows: (Refer to Note 3)

	Period ended 14 October 2015	Year Ended 31 December 2014
	£000	**£000**
Revenue	890	1,364
Expenses	(1,760)	(3,090)
Loss before tax	(870)	(1,726)
Loss on disposal of discontinued operations	(32)	(756)
Net loss attributable to discontinued operations (attributable to owner of the Company)	(902)	(2,482)

8. AUDITORS REMUNERATION

Services provided by the Company's auditor and its associates

	2015 £000	2014 £000
Group		
Fees payable to the company's auditor for the audit of the company and consolidated financial statements	8	20
	8	20

9. FINANCE INCOME

	2015 £000	2014 £000
Finance income		
- Bank interest payable/(receivable)	4	5
Net finance income	4	5

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

10. EMPLOYEES

	2015 £000	2014 £000
Employee costs including executive directors during the year amounted to:		
Wages and salaries	394	647
Social security costs	34	51
Other pension costs	3	6
Share based payments	31	-
	462	704

	2015 Number	2014 Number
The average number of persons employed during the year including executive directors analysed by category was made up as follows:		
Sales and marketing	2	5
Product development and support	12	17
Administration	4	7
	18	29

10. EMPLOYEES (continued)

	2015 £000	2014 £000
The total remuneration of directors was as follows:		
Fees	9	24
Remuneration as executives (including benefits in kind)	45	60
Pension contributions	-	-
Share based payments	31	-
	85	84

The fees payable in respect of services rendered by the finance director, Anthony P Klein, amounted to £9,000. These fees were paid to A Klein, a firm of which he is partner.

No remuneration is paid directly by the Group for the services of the other executive director. There is currently no pension provision for any of the directors and therefore no pension is accrued to them.

Details of the directors' interests in the share capital of the company together with further details of the directors' remuneration are contained in the Remuneration Report on pages 18 to 19.

There are no amounts of compensation payable to key management.

11. TAXATION ON PROFIT

a) Analysis of charge in the year

	2015 £000	2014 £000
Current taxation		
UK corporation tax on profits for the year	-	-
Adjustments in respect of previous periods	(13)	(40)
Total current taxation	(13)	(40)
Deferred taxation		
Origination and reversal of temporary differences	(-)	(53)
Taxation expense	(13)	(93)

11. TAXATION ON PROFIT (continued)

b) Factors affecting charge in the year

	2015 £000	2014 £000
(Loss)/Profit on ordinary activities before taxation	(1,066)	(2,487)
Tax at UK corporation tax rate 20% (2014:23%)	(213)	(572)
Effect of:		
Depreciation in excess of capital allowances	-	30
Utilisation of tax losses not recognised for deferred taxation	213	542
Adjustments in respect of previous period	(13)	(40)
Deferred tax movement	(-)	(53)
	(13)	(93)

The Group has estimated tax losses to carry forward of £4,569,000 (2014: £5,552,000) which may be available for offset against future profits.

12. EARNINGS PER SHARE

The inputs to the earnings per share calculation are shown below:

	2015 Number	2014 Number
Weighted average ordinary shares in issue during the year	46,370,034	279,176,538
Potentially diluted share options under the Group's share option schemes	-	-
Weighted average ordinary shares for diluted earnings per share	46,370,034	279,176,538

	£	£
Loss attributable to shareholders		
Continuing operations	151,000	(88,000)
Discontinued operations	902,000	2,482,000
	1,053,000	2,394,000

12. EARNINGS PER SHARE (continued)

The calculation of basic earnings per ordinary share is based on the profit for the period attributable to equity holders of the parent and the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive share options.

In view of the group loss for the year, share warrants and options to subscribe for shares in the company are anti-dilutive and therefore diluted earnings per share is the same as basic loss per share.

13. a. PROPERTY, PLANT AND EQUIPMENT

GROUP

	Freehold land and buildings		Plant, Office and computer equipment and motor vans		Total	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Cost						
At beginning of year	392	645	886	851	1,278	1,496
Additions	-	-	226	35	226	35
Disposals	(392)	(253)	(1,112)	-	(1,504)	(253)
Foreign currency exchange difference	-	-	-	-	-	-
At end of year	-	392	-	886	-	1,278
Depreciation						
At beginning of year	43	39	619	91	662	130
Charge for the year	3	4	227	528	230	532
Eliminated by disposals	(46)	-	(846)	-	(892)	-
At end of year	-	43	-	619	-	662
Net book value						
At end of year	-	349	-	267	-	616

There are no restrictions on title and no assets above have been pledged as security. In addition, there were no contractual commitments for the acquisition of property or other assets.

13.a. PROPERTY, PLANT AND EQUIPMENT (continued)

COMPANY

	Freehold land and buildings		Plant and equipment		Total	
	2015 £000	**2014 £000**	**2015 £000**	**2014 £000**	**2015 £000**	**2014 £000**
Cost						
At beginning of year	120	120	853	820	973	940
Additions	-	-	228	33	228	33
Disposals	(120)	-	(1,081)	-	(1,201)	-
At end of year	-	120	-	853	-	973
Depreciation						
At beginning of year	43	39	586	62	629	101
Charge for year	3	4	229	524	232	528
Eliminated on disposal	(46)	-	(815)	-	(861)	-
At end of year	-	43	-	586	-	629
Net book value						
At end of year	-	77	-	267	-	344

GROUP AND COMPANY

The aggregate amounts at which freehold land and buildings would have been shown in the financial statements had they not been revalued is the same as historical cost.

Freehold land and buildings include depreciable assets of £Nil (2014: £77,000).

The freehold land and buildings owned by the company are located in Crediton, Devon and were revalued on the basis of market value and rental value. The valuation report, dated 20 September 2004, quotes a market value that agrees to the original cost of £120,000. The directors do not consider this valuation to be materially different as at 31 December 2014 and therefore that the carrying cost is not materially different from the fair value.

13 b. INTANGIBLE ASSETS – DEVELOPMENT COSTS

GROUP

	2015 £000	2014 £000
Cost		
At beginning of year	1,112	1,583
Additions	-	-
Disposals	(-)	(471)
Foreign currency exchange difference	-	-
At end of year	1,112	1,112
Amortisation		
At beginning of year	1,112	339
Charge for the year	-	1,207
Eliminated on disposal	(-)	(434)
Foreign currency exchange difference	-	-
At end of year	1,112	1,112
Net book value		
At end of year	-	-
At beginning of year	-	1,244

The development costs in respect of the Cognito Software product (part of the IT and related services division). This asset was fully impaired at the year-end due to a sale of this division reaching the final stages of completion during the first quarter of 2015. With the product sale planned on completion within 2015, at the time, it was deemed that this income generating asset would be sold as part of the deal, and therefore would not yield a return for the group in future periods and should be fully impaired. Subsequently, this sale did not take place, however the directors are actively looking for a new buyer and have retained the full impairment to reflect this fact.

14. INVESTMENTS

An investment was made on 7 December 2015 where 50,000,000 0.1p placing shares were purchased in Glenwick Plc for £50,000. This gives rise to a 3.63% holding in the company.

15. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

COMPANY

	2015 £000
Cost	
At beginning of year	2,918
Disposals	(2,918)
At end of year	-
Impairment	
At beginning of year	2,626
Disposals	(2,626)
At end of year	-
Net book value	
At end of year	-
At beginning of year	292

15. INVESTMENTS IN SUBSIDAIRY UNDERTAKINGS COMPANY(continued)

The principal subsidiary undertakings are all wholly owned by the company, are consolidated and include the following:

Subsidiary undertakings	Principal activity	Class of share
Incorporated in England and Wales:		
UTN Solutions (North) Limited	Merchandising of electric bicycles and other products	Ordinary
Cognito Software Limited	Marketing and support of computer application software	Ordinary
Incorporated in Italy:		
Tre-Sol Italia srl	Development of solar power park	Ordinary

The following undertakings, which are all wholly owned by Tre-Sol Italia srl and incorporated in Italy, are consolidated and include the following

Ultima Italia srl	Development of solar power park	Ordinary
Harlicon srl	Development of solar power park	Ordinary
Leccesolar srl	Development of solar power park	Ordinary

The company disposed of all subsidiary undertakings on 14 October 2015.

16. INVENTORY

	GROUP		COMPANY	
	2015	**2014**	**2015**	**2014**
	£000	**£000**	**£000**	**£000**
Finished goods	-	347	-	44

A total of £Nil (2014: £545,000) was included in the income statement as cost of sales. This includes £Nil (2014: £86,000) resulting from write down of inventories.

17. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2015	2014	2015	2014
	£000	£000	£000	£000
Trade receivables	-	329	-	258
Less provision for impairment	-	-	-	-
Trade receivables – net	-	329	-	258
Amounts owed by Group undertakings	-	-	-	1,475
Owed by related party (see note 24)	-	14	-	-
Other receivables	1	108	1	108
Tax recoverable	9	-	9	-
Prepayments and accrued income	11	88	11	18
	21	539	21	1,859

The directors do not consider there to be any material difference between the fair values of trade and other receivables and the amounts shown above. The trade and other receivables of the company and the Group are all denominated in pounds sterling. The Group's main credit risk relates to trade receivables. No collateral is held as security against these receivables and the carrying value approximates to the fair value.

Trade receivables that are less than three months past due are not considered impaired. As of 31 December 2015, trade receivables of £Nil (2014: £220,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	GROUP		COMPANY	
	2015	2014	2015	2014
	£000	£000	£000	£000
Up to 3 months	-	29	-	29
Over 3 months	-	191	-	141
	-	220	-	170

18. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2015	2014	2015	2014
	£000	£000	£000	£000
Cash at bank and on hand	587	347	587	149
Short-term bank deposits	-	-	-	-
	587	347	587	149

19. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2015	2014	2015	2014
	£000	£000	£000	£000
Bank overdraft	-	294	-	-
Trade payables	-	183	-	133
Amounts due to Group undertakings	-	-	-	1,843
Owed to related party (see note 24)	-	26	-	26
	-	503	-	2,002

The directors consider that the carrying value of trade and other payables approximates to their fair value.

20. FINANCIAL INSTRUMENTS

The Group's financial instruments, from which financial instrument risk arises, comprise cash and cash equivalents, trade receivables and trade payables that arise directly from its operations. The main financial instrument risks arising from and impacted by, the financial assets and liabilities of the Group are credit risk, cash flow interest rate risk and liquidity risk. The Board reviews and agrees policies for managing these risks and they are summarised below.

The Group does not hold any derivative financial instruments. The Group's financial assets and liabilities are measured at amortised cost.

A debenture is in place for National Westminster Bank PLC on all monies due from the company to the chargee on any account whatsoever secured on a fixed and floating charges over the undertaking and all property and assets present and future including goodwill uncalled capital buildings fixtures plant and machinery.

The principal financial assets of the Group are trade receivables and cash at bank. Cash is held in sterling only in either a current account or on short-term deposit. The amounts being as follows:

20. FINANCIAL INSTRUMENTS (continued)

Financial assets by category

GROUP

2015	**Loans and receivables £000**	**Non-financial Assets £000**	**Balance sheet £000**
Cash at bank	587	-	587
Trade and other receivables	-	-	-
Prepayments	-	11	11
Tax recovery	10	-	10
	597	11	608
2014			
Cash at bank	347	-	347
Trade and other receivables	451	-	451
Prepayments	-	88	88
Tax recovery	-	-	-
	798	88	886

Trade receivables arise directly from the Group's operations and do not carry any interest. All cash balances attract interest at floating rates that vary with United Kingdom bank base rates. The Group does not have any undrawn borrowing facilities.

COMPANY

2015	**Loans and receivables £000**	**Non-financial Assets £000**	**Balance sheet £000**
Cash at bank	587	-	587
Trade and other receivables	-	-	-
Amounts owed by Group undertaking	-	11	11
Prepayments	10	-	10
	597	11	608
2014			
Cash at bank	149		149
Trade and other receivables	366	-	366
Amounts owed by Group undertaking	1,475	-	1,475
Prepayments	-	18	18
	1,990	18	2,008

20. FINANCIAL INSTRUMENTS (continued)

GROUP

2015	**Other financial liabilities £000**	**Non-financial liabilities £000**	**Balance sheet £000**
Bank overdraft	-	-	-
Trade payables	-	-	-
Owed to related party	-	-	-
VAT and tax payable	-	-	-
Accruals and deferred income	-	48	48
	-	48	48
2014			
Bank overdraft	294	-	294
Trade payables	183	-	183
Owed to related party	26	-	26
VAT and tax payable	-	76	76
Accruals and deferred income	119	109	228
	622	185	807

COMPANY

2015			
Bank overdraft	-	-	-
Trade payables	-	-	-
Amounts due to group undertakings	-	-	-
Owed to related party	-	-	-
VAT and tax payable	-	-	-
Accruals	-	48	48
	-	48	48
2014			
Bank overdraft	-	-	-
Trade payables	133	-	133
Amounts due to group undertakings	1,843	-	1,843
Owed to related party	26	-	26
VAT and tax payable	-	72	72
Accruals	81	109	190
	2,083	181	2,264

20. FINANCIAL INSTRUMENTS (continued)

Credit risk
The Group's credit risk is primarily attributable to its trade receivables. Exposures to credit risk are minimised by employing effective credit management policies and procedures. Only customers known to the Group are granted credit terms. Annual fees for software licences and support agreements are payable in advance and require a uniquely numbered "valid licence key" to operate.

Cash flow interest rate risk
The Group is cash positive and places its balance on short-term deposits with National Westminster Bank Plc. Variable rate interest receivable is based on United Kingdom bank base rates and therefore changes in interest rates may affect the return on cash balances. No interest is received on any of the Group's other assets or receivables. The Group does not have any loans, bank borrowings or other interest bearing payables.

Liquidity risk
It is the Group's policy to maintain sufficient cash resources to meet its short-term liabilities.

Foreign currency risk
The Group is exposed to movements in exchange rates for both foreign currency transactions and the translation of net assets and income statement of foreign subsidiaries. The overseas subsidiary is regarded as long-term investment and manages its translational exposure through currency matching of assets and liabilities where applicable. The three currencies used by the Group are pounds sterling, euro and US dollars.

In respect of the United Kingdom operations, the purchases from foreign suppliers are dealt with on the Group's behalf by Akhter Group Limited. These transactions are settled by Akhter Group Limited and are converted to pounds sterling at pre-agreed spot rates for reimbursement by the Group.

The overseas subsidiary uses euro. The group will actively seek to source suppliers who deal in euro for this part of the operations of the Group to minimise the risk.

The value of monetary assets and liabilities of the group not held in functional currency at the balance sheet date were as follows:

	2015	**2014**
	£000	**£000**
Denominated in euros and US dollars		
Assets	-	-
Liabilities	(-)	(294)
Net assets	(-)	(294)

20. FINANCIAL INSTRUMENTS (continued)

Price risk
The Group does not hold any listed security investments and therefore has no exposure to securities price risk.

Fair values
The Directors consider that there is no material difference between the book value and the fair value of the financial instruments at 31 December 2015 and 31 December 2014.

Capital risk management
The Group considers its capital to comprise its ordinary and deferred share capital, share premium account and accumulated retained losses.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group considers equity funding as the most appropriate form of capital for the Group, but keeps this under review taking into account the risks, costs and benefits to equity shareholders of introducing debt.

21. a. DEFERRED TAX ASSET

GROUP

	Provided		Not provided	
	2015	**2014**	**2015**	**2014**
	£000	**£000**	**£000**	**£000**
Depreciation in excess of capital allowances	-	-	-	-
Losses	-	-	-	169
	-	-	-	169

COMPANY

	Provided		Not provided	
	2015	**2014**	**2015**	**2014**
	£000	**£000**	**£000**	**£000**
Losses	-	-	-	9

The Group has estimated tax losses of £4,5692,000 as at 31 December 2015 (2014: £5,552,000) which have not been recognised for deferred tax purposes as these may only be set against certain profits arising in future accounting periods.

22. CALLED UP SHARE CAPITAL

	2015 £000	2014 £000
Allotted, called up and fully paid		
138,631,936 ordinary shares of 0.1p each	138	2,792
137,674,431 deferred shares of 4p each	5,507	5,507
279,176,540 placing shares of 0.99p each	2,764	-
	8,409	8,299

The deferred shares have no right to dividends nor do the holders thereof have the right to receive notice of or to attend or vote at any General Meeting of the company. On a return of capital on a winding up of the company, the holders of the deferred shares shall only be entitled to receive the amount paid up on such shares after the holders of the ordinary shares have received the sum of £1,000,000 for each ordinary share held by them.

Ultima Networks Plc 2004 Share Option Scheme
The scheme was approved by the AGM held on 28 May 2004. No options to subscribe for ordinary shares of 1p each have been granted under this scheme.

Ultima Networks Plc 2012 Share Option Scheme
The scheme was approved by the AGM held on 26 June 2012, being the Ultima Networks Plc 2012 Share Option Scheme, but no options to subscribe for ordinary shares of 1p each have been granted to date.

Executive Share Option Schemes
Options to subscribe for ordinary shares of 1p each are exercisable in accordance with the 1994 Microvitec Inland Revenue Approved Executive Share Option Scheme. During the year ended 31 December 2014, no options were granted, no options were exercised and no options lapsed.

23. CAPITAL COMMITMENTS

	GROUP		COMPANY	
	2015 £000	2014 £000	2015 £000	2014 £000
Contracted capital expenditure	-	-	-	-

24. FUTURE OPERATING LEASE COMMITMENT

There are no operating lease commitments at the balance sheet date. (2014: £Nil)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

25. PENSIONS

During the year the Group contributed to the personal pension schemes (defined contribution) of certain employees. No contributions were paid in respect of the directors. No amounts were accrued or prepaid at the year end (2014: £Nil)

26. RELATED PARTY TRANSACTION

Gavin Burnell and Luke Cairns who were granted 10,804,840 and 2,701,210 share options respectively. No director has granted or exercised any share options during this or the previous year nor did any lapse.

During the year the Group made purchases form Akhter Group Limited totalling £Nil (2014: £115,000) of this amount, £Nil (2014: £11,000) was payable to Akhter Group Limited as at 31 December 2015. The purchases can be analysed as follows:

Group company	2015 £000	2014 £000	Description of purchases
Ultima Networks	-	10	Executive management services and project costs
UTN Solutions (North)	43	105	Rent and carriage costs
Cognito Software	-	-	Pensions and carriage costs
Total	43	115	

As stated above the treasury function is performed on behalf of the company by Akhter Group Limited and will always try to make the most beneficial use of available cash resources. During the year, no monies were loaned by the company to Akhter Group Limited (2014: £Nil) and no monies were borrowed by the company from Akhter Group Limited (2014: £Nil).

During the year the Group made sales to Akhter Group Limited totalling £Nil (2014: £144,000l) of this amount, £Nil (2014: £Nil) was payable by Akhter Group Limited as at 31 December 2015.

SHARE BASED PAYMENT CHARGES

The Company has granted Ordinary Share options to its directors during the year that may be exercised within ten years in whole or in part from the date of the grant at an exercise price of 0.7p per share.

The Black Scholes method was used to calculate the fair value of options at the date of grant.
The table below lists the inputs to the model used for the options granted during the year:

Weighted average share price at date of grant	0.9 pence
Weighted average exercise price	0.7 pence
Expected volatility	50%
Contractual life	10 years
Risk free rate	1%

A total share based payment charge of £30,812 was expensed in 2015 in respect of the options granted to the directors.

The share options held as at 31 December 2015 are set out in the table below:

	Granted during the period	Exercised during the period	Outstanding at 31 December 2015	Option Price	Exercisable on or before
G Burnell	10,804,840	—	10,804,840	0.7p	25 Oct 2025
L Cairns	2,701,210	—	2,701,210	0.7p	25 Oct 2025
Total Options	13,506,050	—	13,506,050		

Note: A detailed breakdown of directors' options is set out in the Report on Directors' Remuneration.

Additionally, the company has issued 4,051,805 warrants to its brokers, Peterhouse Corporate Finance, for the subscription of Ordinary Shares which may be exercised at any time up to 22 August 2019 at a price of 0.7p per share.

24. RELATED PARTY TRANSACTION (continued)

During the year the company recharged its administration expenses to all its subsidiaries as detailed below:

Group company	2015 £000	2014 £000	Description
Ultima Networks	-	(190)	Group recharge (receivable)
UTN Solutions (North)	-	115	Group recharge payable
Cognito Software	-	75	Group recharge payable
Total	-	-	

During the year, the fees payable in respect of services rendered by the finance director, Anthony P Klein, amounted to £9,000. These fees were paid to A Klein, a firm in which he is a partner.

25. CONTINGENT LIABILITY

The company had no contingent liabilities.

26. CONTROLLING PARTY

In the opinion of the directors, there is no ultimate controlling party.

27. PROVISIONS

No provisions have been made in these accounts. There is no deferred tax in the current year.

28. FAIR VALUES

The Directors consider that there is no material difference between the book value and the fair value of the financial instruments at 31 December 2015 and 31 December 2014.

29. SUBSEQUENT EVENTS

There have been no significant events after the balance sheet date, other than those disclosed in the Directors' Report and the Strategic Report.