

COMPANY REGISTRATION NUMBER: 10459507

**AVIATION CAPITAL VENTURES PLC
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30 MARCH 2019**



AVIATION CAPITAL VENTURES PLC

FINANCIAL STATEMENTS

YEAR ENDED 30 MARCH 2019

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AVIATION CAPITAL VENTURES PLC
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr Theodoros Kazantzidis Mr Vasileios Triantafyllou
Company secretary	Graham Philip
Registered office	4th Floor 36 Spital Square London Great Britain E1 6DY
Auditor	BSG Valentine (UK) LLP Chartered Accountants & Statutory Auditor Lynton House 7 - 12 Tavistock Square London WC1H 9BQ

AVIATION CAPITAL VENTURES PLC

STRATEGIC REPORT

YEAR ENDED 30 MARCH 2019

Principal activity

The company's principal activity is that of holding investments and the provision of financial support to group members.

Fair review of the business

During the period the company continued to pursue the recovery of a debt of €2.6m receivable in relation to the proceeds of the sale of its investment in Flyorionairways Ltd. The investment in Flyorionairways Ltd was disposed of during the previous accounting period.

The company does not currently hold any investments.

Principal risks and uncertainties

The principal risk and uncertainty is in relation to the recovery of a debt of €2.6m receivable by the company in relation to the proceeds of the above sale of its investment, and the consequent implication of non-recovery on the going concern status of the company.

The business is subject to the general risks associated with the economic environment.

Financial highlights

The key financial highlights are as follows:

	2019	2018
	€	€
Operating Loss	319,090	13,036,143
Net Assets	2,172,062	2,491,152

This report was approved by the board of directors on 19/09/2019 and signed on behalf of the board by:

Mr Vasileios Triantafyllidis
Director

Registered office:
4th Floor
36 Spital Square
London
Great Britain
E1 6DY

AVIATION CAPITAL VENTURES PLC

DIRECTORS' REPORT

YEAR ENDED 30 MARCH 2019

The directors present their report and the financial statements of the company for the year ended 30 March 2019.

Directors

The directors who served the company during the year were as follows:

Mr Vasileios Triantafyllou	
Mr Theodoros Kazantzidis	(Appointed 28 December 2018)
Mr Andrew Richard Lamb	(Resigned 28 December 2018)
Mr Athanasios Kokkotas	(Resigned 17 September 2018)

Dividends

The directors do not recommend the payment of a dividend.

Future developments

The directors are not aware of any significant future developments affecting the company other than the recovery of the €2.6m debt referred to in note 3.

Financial instruments

Credit risk

The company monitors credit risk closely and considers that its current policies of credit checks meets its objectives of managing exposure to credit risk.

Research and development

The company is not undertaking any research and development activities.

Directors' responsibilities statement

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

AVIATION CAPITAL VENTURES PLC

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 MARCH 2019

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 19/09/2019 and signed on behalf of the board by:

Mr Vasileios Triantafyllou
Director

Registered office
4th Floor
36 Spital Square
London
Great Britain
E1 6DY

AVIATION CAPITAL VENTURES PLC
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVIATION CAPITAL VENTURES
PLC
YEAR ENDED 30 MARCH 2019

Qualified opinion

We have audited the financial statements of Aviation Capital Ventures PLC (the 'company') for the year ended 30 March 2019 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

There is significant uncertainty over the recoverability of the other debtor balance of €2,568,543. At the date of this report the debt remains unpaid and is subject to ongoing legal proceedings as the company attempts to recover the debt. Despite the significant uncertainty over the recoverability of the debt, no provision for impairment has been recognised, which constitutes a departure from FRS102. Had a provision for this debt been recognised during the period, then the accumulated loss for the period would be €2,887,633 and the net assets of the company at the balance sheet date reduced by the debt of €2,568,543 less an accrued contingent success fee of €128,427, to leave a shareholders deficit of €268,054.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material uncertainty related to going concern

We draw attention to note 3 in the financial statements, which indicates that the company has made significant losses, and that there is uncertainty over the recovery of a significant debt. As stated in note 3, these events or conditions, along with the other matters as set forth in note 3, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

AVIATION CAPITAL VENTURES PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVIATION CAPITAL VENTURES PLC (continued)

YEAR ENDED 30 MARCH 2019

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AVIATION CAPITAL VENTURES PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVIATION CAPITAL VENTURES PLC (continued)

YEAR ENDED 30 MARCH 2019

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

AVIATION CAPITAL VENTURES PLC

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVIATION CAPITAL VENTURES
PLC (continued)**

YEAR ENDED 30 MARCH 2019

Use of our report

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 auditor's 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.

BSG Valentine UK LLP

Luke Richardson BSc FCA (Senior Statutory Auditor)

For and on behalf of
BSG Valentine (UK) LLP
Chartered Accountants & Statutory Auditor
Lynton House
7 - 12 Tavistock Square
London
WC1H 9BQ

20-09-2019

AVIATION CAPITAL VENTURES PLC
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 30 MARCH 2019

	Note	Year to 30 Mar 19 €	Period from 2 Nov 16 to 30 Mar 18 €
Administrative expenses		(319,090)	(138,884)
(Gain)/loss on disposal of tangible assets		—	(12,897,259)
Operating loss	5	(319,090)	(13,036,143)
Loss before taxation		(319,090)	(13,036,143)
Tax on loss		—	—
Loss for the financial year and total comprehensive income		<u>(319,090)</u>	<u>(13,036,143)</u>

All the activities of the company are from continuing operations.

The notes on pages 13 to 17 form part of these financial statements.

AVIATION CAPITAL VENTURES PLC
STATEMENT OF FINANCIAL POSITION

30 MARCH 2019

	Note	2019 €	2018 €
Current assets			
Debtors	8	2,568,543	2,568,543
Cash at bank and in hand		<u>6</u>	<u>6</u>
		2,568,549	2,568,549
Creditors: amounts falling due within one year	9	<u>(396,487)</u>	<u>(77,397)</u>
Net current assets		2,172,062	2,491,152
Total assets less current liabilities		<u>2,172,062</u>	<u>2,491,152</u>
Net assets		<u>2,172,062</u>	<u>2,491,152</u>
Capital and reserves			
Called up share capital	11	446,365	446,365
Share premium account	12	15,080,930	15,080,930
Profit and loss account	12	<u>(13,355,233)</u>	<u>(13,036,143)</u>
Shareholders funds		<u>2,172,062</u>	<u>2,491,152</u>

These financial statements were approved by the board of directors and authorised for issue on 19/04/2019 and are signed on behalf of the board by:

Mr Vasileios Triantafyllou
Director

Company registration number: 10459507

The notes on pages 13 to 17 form part of these financial statements.

AVIATION CAPITAL VENTURES PLC
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 30 MARCH 2019

	Called up share capital €	Share premium account €	Profit and loss account €	Total €
At 2 November 2016	–	–	–	–
Loss for the year	–	–	(13,036,143)	(13,036,143)
Total comprehensive income for the year	–	–	(13,036,143)	(13,036,143)
Issue of shares	446,365	15,080,930	–	15,527,295
Total investments by and distributions to owners	446,365	15,080,930	–	15,527,295
At 30 March 2018	446,365	15,080,930	(13,036,143)	2,491,152
Loss for the year	–	–	(319,090)	(319,090)
Total comprehensive income for the year	–	–	(319,090)	(319,090)
At 30 March 2019	446,365	15,080,930	(13,355,233)	2,172,062

The notes on pages 13 to 17 form part of these financial statements.

AVIATION CAPITAL VENTURES PLC

STATEMENT OF CASH FLOWS

YEAR ENDED 30 MARCH 2019

	2019 €	2018 €
Cash flows from operating activities		
Loss for the financial year	(319,090)	(13,036,143)
<i>Adjustments for:</i>		
Accrued expenses	157,113	5,707
Loss on disposal of investment	–	12,897,258
<i>Changes in:</i>		
Trade and other creditors	(4,146)	61,607
Cash generated from operations	<u>(166,123)</u>	<u>(71,571)</u>
Net cash used in operating activities	<u>(166,123)</u>	<u>(71,571)</u>
Cash flows from financing activities		
Proceeds from borrowings	166,123	590,085
Repayments of loans to group undertakings	–	(518,508)
Net cash from financing activities	<u>166,123</u>	<u>71,577</u>
Net increase in cash and cash equivalents	–	6
Cash and cash equivalents at beginning of year	<u>6</u>	<u>–</u>
Cash and cash equivalents at end of year	<u><u>6</u></u>	<u><u>6</u></u>

The notes on pages 13 to 17 form part of these financial statements.

AVIATION CAPITAL VENTURES PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 MARCH 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 4th Floor, 36 Spital Square, London, E1 6DY, Great Britain.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in euros, which is the functional currency of the entity.

Going concern

At the reporting date, the company has net current assets and shareholders funds of €2,172,062. However, the assets of the company effectively comprise of a single other debtor balance of €2,568,543 which was brought forward from the previous year. This debt continues to be unpaid and the company is undertaking legal action in order to recover this balance. As a result, there is significant uncertainty over the recoverability of this asset.

This debt has been recognised in full under other debtors with no provision for impairment. Should this debt not be recovered and subsequently be written down, there would be significant uncertainty over the going concern status of the company. The ongoing legal claim related to this debt is due to be heard by the Judicial Authorities of the Republic of Cyprus during September 2019, and having considered all the facts, and taken legal counsel over the likelihood of success, the directors are confident that the debt will be recovered in full. At the date of approval of these financial statements, the claim is yet to have been heard.

The company is being supported by its directors and its investors, who will ensure that it can meet its obligations as they fall due for the foreseeable future, which is considered to be a period of not less than 12 months from the signing of these financial statements.

Based on this the directors are therefore of the opinion that it is appropriate to prepare the financial statements on a going concern basis

AVIATION CAPITAL VENTURES PLC
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 MARCH 2019

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Other debtor valuation - the likelihood of the recovery of the balance recognised under other debtors and the requirement for any provision for impairment, has been considered in detail based upon all the available post year end information including legal counsel. In the opinion of the directors, the debt will be recovered in full.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Other debtor valuation - the amount receivable in settlement in respect of the balance recognised under other debtor is estimated based upon the latest legal counsel.
- Accruals - amounts are accrued where obligations exist at the balance sheet date based upon the actual cost or best estimate thereof.

Income tax

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

AVIATION CAPITAL VENTURES PLC
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 MARCH 2019

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

4. Employee numbers

The average number of persons employed by the company during the period, excluding directors, amounted to nil (2018: nil).

5. Operating profit

Operating profit or loss is stated after charging/crediting:

	Year to 30 Mar 19	Period from 2 Nov 16 to 30 Mar 18
	€	€
Foreign exchange differences	<u>4,705</u>	<u>(3,429)</u>

6. Auditor's remuneration

	Year to 30 Mar 19	Period from 2 Nov 16 to 30 Mar 18
	€	€
Fees payable for the audit of the financial statements	<u>12,431</u>	<u>5,707</u>

7. Deferred tax

No deferred tax asset has been recognised in respect of trading and capital losses due to uncertainty regarding future profits.

AVIATION CAPITAL VENTURES PLC
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 MARCH 2019

8. Debtors

	2019	2018
	€	€
Other debtors	<u>2,568,543</u>	<u>2,568,543</u>

The debtor above represents the outstanding consideration receivable on the disposal of a fixed asset investment. This debt is subject to an ongoing legal claim as the company attempts to recover the balance, and in the opinion of the directors the claim will be successful and the debt recovered. The recovery of the debt is on the basis of a 5% success fee, this fee has been accrued for.

9. Creditors: amounts falling due within one year

	2019	2018
	€	€
Trade creditors	57,459	61,105
Accruals and deferred income	162,820	5,707
Director loan accounts	176,208	10,085
Other creditors	–	500
	<u>396,487</u>	<u>77,397</u>

10. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2019	2018
	€	€
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>2,568,549</u>	<u>2,568,549</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>396,487</u>	<u>77,397</u>

Financial assets measured at amortised cost comprise bank balances and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, accruals and other creditors.

11. Called up share capital

Issued, called up and fully paid

	2019		2018	
	No.	€	No.	€
Ordinary shares of €0.01 each	<u>44,636,474</u>	<u>446,365</u>	<u>44,636,474</u>	<u>446,365</u>

12. Reserves

Called up share capital - This represents the nominal value of shares that have been issued.

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account - This reserve records retained earnings and accumulated losses.

AVIATION CAPITAL VENTURES PLC
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 30 MARCH 2019

13. Related party transactions

At the balance sheet date, an amount of €176,208 (2018: €10,085) was owed by the company to its directors. This amount is interest free and payable on demand.

14. Controlling party

In the opinion of the directors the company is not under the control of any one party.