

Company Registration Number: C65630

THE GENERAL PROPERTIES COMPANY LIMITED
Annual Report and Financial Statements
For the period from
1 December 2015 to 31 December 2016

THE GENERAL PROPERTIES COMPANY LIMITED
Annual Report and Financial Statements – 31 December 2016

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Director's Report

The director presents his report and the audited financial statements of The General Properties Company Limited for the period ended 31 December 2016.

Principal Activity

The principal activity of the company is to provide services relating to the acquisition and selling of immovable property and any ancillary services.

Performance review

The company registered a loss of €16,746. This is mainly due to the fact that the company did not register any income during the period under review. The director expects that the present level of activity will be improved in the foreseeable future.

Post Balance Sheet Events

There were no particular important events affecting the company which occurred since the end of the accounting period.

Director

The sole director of the company who held office during the period was:

Adrian Sciberras

Directors' Responsibilities

Company law requires the director to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing these, the director is required to:

- adopt the going concern basis unless it is inappropriate to presume that the company will continue in the business;
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relating to the accounting period on the accruals basis;
- value separately the components of asset and liability items; and
- report comparative figures corresponding to those of the preceding accounting period.

Director's Report - continued

Director's Responsibilities - continued

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act, 1995 enacted in Malta. He is 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.

Financial reporting framework

The director has resolved to prepare the company's financial statements for the period ended 31 December 2016 in accordance with the Accountancy Profession (General Accounting Principles for Smaller Entities) Regulations, 2009 and the Schedule accompanying and forming an integral part of those Regulations.

Auditors

Busuttil & Micallef have intimated their willingness to continue in office. A proposal to reappoint Busuttil & Micallef as auditors of the company will be put to the General Meeting.

Approved and signed by the director on 20 March 2017.



Adrian Sciberras
Director

The General Properties Company Limited
Abacus, Business Centre Level 1,
Triq Dun Karm
B'Kara Bypass
Birkirkara BKR 9037
Malta

Independent Auditor's Report

To the members of **The General Properties Company Limited**

Report on the Audit of the Financial Statements

We have audited the financial statements of The General Properties Company Limited, set out on pages 6 to 17, which comprise the balance sheet as at 31 December 2016, the income statement, statement of changes in equity, cash flow statement and notes to the financial statements, including a summary of significant accounting policies.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the balance sheet of the company as at 31 December 2016, and of its financial performance for the year then ended in accordance with the Accountancy Profession (General Accounting Principles for Smaller Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations and have been properly prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the company incurred a net loss of €16,746 during the period ended 31 December 2016 and, as of that date, the company's total liabilities exceeded its total assets by €16,197. As stated in note 1, these events or conditions, 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.

Other Information

The director is responsible for the other information. The other information comprises the director's report. Our opinion on the financial statements does not cover this information, and 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, 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.

Independent Auditor's Report - continued

Responsibilities of the Director

The director is responsible for the preparation of the financial statements that give a true and fair view in accordance with GAPSE, and for such internal control as the director 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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 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, 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's 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.

Independent Auditor's Report – continued

Auditor's Responsibilities for the Audit of the Financial Statements – continued

We communicate with the director 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Under the Maltese Companies Act (Cap. 386) we are required to report to you if, in our opinion:

- We have not received all the information and explanations we require for our audit.
- Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.

We have nothing to report to you in respect of these responsibilities.



Hector Spiteri
Partner

For and on behalf of
Busuttill & Micallef
Certified Public Accountants

Nr. 11, "L-Ufficciji"
Misrah 28 ta' Frar 1883
Birkirkara
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Malta

20 March 2017

Income Statement

		Period ended 31 December	Period ended 30 November
	Notes	2016 €	2015 €
Revenue	4	-	24,800
Administrative expenses		(9,560)	(24,340)
Finance cost	6	(7,186)	-
(Loss)/profit before tax	5	(16,746)	460
Income taxes	7	-	(161)
(Loss)/profit for the period		(16,746)	299

Balance Sheet

		As at 31 December	As at 30 November
	Notes	2016 €	2015 €
ASSETS			
Current assets			
Inventories	8	40,950	-
Trade and other receivables	9	98,474	1,375
Cash and cash equivalents	13	50	335
Total assets		139,474	1,710
EQUITY AND LIABILITIES			
Equity			
Share capital	10	250	250
Accumulated losses	10	(16,447)	299
Total equity		(16,197)	549
Non-current liabilities			
Trade and other payables	11	151,231	-
Current liabilities			
Trade and other payables	11	4,440	1,000
Current tax payable	12	-	161
		4,440	1,161
Total liabilities		155,671	1,161
Total equity and liabilities		139,474	1,710

The financial statements set out on pages 6 to 17 were approved and signed by the sole director on 20 March 2017.


 Adrian Sciberas
 Director

Statement of Changes in Equity

	Share capital €	Accumulated losses €	Total €
Initial issue of share capital	250	-	250
Profit for the period	-	299	299
At 30 November 2015	250	299	549
At 1 December 2015	250	299	549
Loss for the period	-	(16,746)	(16,746)
At 31 December 2016	250	(16,447)	(16,197)

Cash Flow Statement

		Period ended 31 December	Period ended 30 November
	Note	2016 €	2015 €
Cash flows from operating activities			
(Loss)/profit before tax		(16,746)	460
Adjustments for:			
Tax paid		(161)	-
Change in trade and other payables		3,440	1,000
Change in trade and other receivables		(97,099)	-
Change in inventories		(40,950)	-
Cash (used in)/generated from operations		(151,516)	1,460
Cash flows from financing activities			
Proceeds from issue of ordinary shares		-	250
Proceeds from ultimate beneficial owner		151,231	(1,375)
Net cash generated from/(used in) financing activities		151,231	(1,125)
Net (decrease)/increase in cash and cash equivalents		(285)	335
Cash and cash equivalents at beginning of period		335	-
Cash and cash equivalents at end of period	13	50	335

Notes to the Financial Statements

1 Going concern

During the period ended 31 December 2016, the company made a loss of €16,746 (2015: profit €299) and at the balance sheet date its liabilities exceeded its assets by €16,197. These financial statements have been prepared on a going concern basis, on the basis of undertakings given by the company's shareholders to continue to provide financial support to the company in the foreseeable future.

2 Basis of preparation

2.1 Statement of compliance

The financial statements of The General Properties Company Limited have been prepared in accordance with the Accountancy Profession (General Accounting Principles for Smaller Entities) Regulations, 2009 and the Schedule accompanying and forming an integral part of those Regulations ("GAPSE"). These are the company's first financial statements prepared under GAPSE.

These financial statements have been prepared for the 13 month period from 1 December 2015 to 31 December 2016. As a result of this, the comparative amounts for the income statement, changes in equity, cash flows and related notes are not comparable.

2.2 Basis of measurement

The financial statements are prepared on the historical cost basis, except for certain financial assets, which are stated at their fair values.

2.3 Functional and presentation currency

The financial statements are presented in Euro (€), which is the company's functional currency.

3 Significant accounting policies

3.1 Impairment

The carrying amounts of the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

3 Significant accounting policies – continued

3.1 Impairment – continued

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised and the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation decrease in accordance with the applicable Section in GAPSE.

The carrying amounts of the company's assets are also reviewed at each balance sheet date to determine whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss previously recognised is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment reversals are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation increase in accordance with the applicable Section in GAPSE.

3.2 Inventories

When the main object of a property project is the development for resale purposes, the asset is classified in the financial statements as inventory. Any elements of a project which are identified for business operation or long term investment purposes are transferred at their carrying amount or fair value to property, plant and equipment or investment property when such identification is made and the cost thereof can be reliably segregated.

Property held for development is carried at the lower of cost and net realisable value.

Cost comprises the purchase cost of acquiring the property together with other costs incurred during its subsequent development, including:

- the costs incurred on development works, including demolition, site clearance, excavation, construction and other activities together with the costs of ancillary activities such as site security;
- the cost of various design and other studies conducted in connection with the project together with all other expenses incurred in connection therewith;
- any borrowing costs attributable to the development phases of the project.

Net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses.

Gains and losses on disposal of property inventories are determined by reference to their carrying amount and are taken into account in determining gross profit.

3 Significant accounting policies – continued

3.3 Financial assets, financial liabilities and equity

Trade and other receivables

Trade and other receivables are carried at cost less any impairment losses (refer to accounting policy 3.1).

Trade and other payables

Trade and other payables are stated at their nominal value.

Share capital and dividends

Ordinary shares are classified as equity.

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

3.4 Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term investments that are held to meet short-term cash commitments rather than for investment or other purposes.

3.5 Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that the tax arises from a transaction or event which is recognised directly in equity, in which case it is recognised in equity.

Current tax is based on the taxable profit for the period, as determined in accordance with tax laws, and measured using tax rates, which have been enacted or substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to the investment in subsidiary to the extent that the company is able to control the timing of the reversal of temporary differences and it is probable that those temporary differences will not reverse in the foreseeable future. Deferred tax assets for the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

3 Significant accounting policies – continued

3.5 Income taxes – continued

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

3.6 Income

Income is recognised upon performance of service and is reported in the financial statements as revenue, net of VAT and discounts.

4 Revenue

Revenue was derived from consultancy services provided in relation to a medical clinic and is analysed as follows:

	Period ended 31 December	Period ended 30 November
	2016 €	2015 €
Consultancy fees	-	24,800

5 (Loss)/profit before tax

(Loss)/profit before tax is stated after charging the following:

	Period ended 31 December	Period ended 30 November
	2016 €	2015 €
Auditor's remuneration	1,400	1,000

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6 Finance cost

	Period ended 31 December	Period ended 30 November
	2016	2015
	€	€
Loan interest paid	7,186	-

7 Income taxes

	Period ended 31 December	Period ended 30 November
	2016	2015
	€	€
7.1 Current tax expense (Note 12)	-	161

7.2 The tax expense and the result of accounting (loss)/profit multiplied by the statutory domestic income tax rate is reconciled as follows:

	Period ended 31 December	Period ended 30 November
	2016	2015
	€	€
(Loss)/profit before taxation	(16,746)	460
Tax at the applicable statutory rate of 35%	(5,842)	161
Tax effect of: Non-allowable expenses	5,842	-
	-	161

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8	Inventories	2016 €	2015 €
	Property held-for-resale	40,950	-
9	Trade and other receivables	2016 €	2015 €
	Amounts due from a related party	-	1,375
	Advanced deposits	98,474	-
		98,474	1,375
10	Equity		
10.1	Share capital	2016 €	2015 €
	Authorised		
	1,250 Ordinary shares of €1 each	1,250	1,250
	Issued and 20% paid up		
	1,250 Ordinary shares of €1 each	250	250
10.2	Accumulated losses		
	Accumulated losses represent net accumulated profits and losses.		
11	Trade and other payables	2016 €	2015 €
	Non-current liabilities		
	Amounts due to shareholder (Note)	151,231	-
	Current liabilities		
	Accrued expenses	4,440	1,000

11 Trade and other payables – continued

Note:

Amounts due to shareholder are unsecured, interest free and repayable on demand, however they are not expected to be settled within the next twelve months.

12 Current tax payable

Income tax payable is made up as follows:

	2016	2015
	€	€
Balance at 1 December 2015/24 June 2014	161	-
Current tax charge for the period (Note 7)	-	161
Settlement tax paid	(161)	-
	-	161
Balance at 31 December/30 November	-	161

13 Cash and cash equivalents

Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

	2016	2015
	€	€
Cash at bank	50	335
	50	335

14 Related party transactions

Transactions with related parties

	2016	2015
	€	€
Amounts due from related company		
At 1 December 2015/24 June 2014	1,375	-
Advances during the period	-	1,375
Repayments during the period	(1,375)	-
	-	1,375
At 31 December/30 November	-	1,375

14 Related party transactions – continued

Transactions with related parties – continued

	2016 €	2015 €
Amounts due to shareholder		
Advances during the period	151,231	-
At 31 December/30 November	151,231	-

15 Statutory information

The General Properties Company Limited is a private limited company and is registered in Malta.

The ultimate parent company of The General Properties Company Limited is Business Concept International PLC.

THE GENERAL PROPERTIES COMPANY LIMITED
Detailed Results – 31 December 2016

Income Statement

	Period ended 31 December	Period ended 30 November
	2016	2015
	€	€
Revenue	-	24,800
Administrative expenses	(9,560)	(24,340)
Finance cost	(7,186)	-
(Loss)/profit before tax	(16,746)	460

THE GENERAL PROPERTIES COMPANY LIMITED
Detailed Results – 31 December 2016

Administrative expenses

	Period ended 31 December	Period ended 30 November
	2016 €	2015 €
Auditor's remuneration	1,400	1,000
Bank charges	75	68
Consultancy fees	-	10,000
Professional fees	208	7,579
Registration fees	100	220
Rent	7,777	-
Sub-contractor fees	-	1,200
Wages and salaries	-	4,273
	9,560	24,340

Finance cost

	Period ended 31 December	Period ended 30 November
	2016 €	2015 €
Loan interest paid	7,186	-