Company Registration No. 05212388

ALPHA RETURNS GROUP PLC

Annual Report and Financial Statements

For the year ended 31 December 2015

Company information

Company registration number:	05212388 - incorporated in England and Wales
Registered office:	27/28 Eastcastle Street London W1W 8DH
Directors:	Anthony Charles Drury – Non-Executive Chairman Chan Cheong Yee – Executive Director Christopher Neo – Executive Director Tsang Fung Chu – Non-Executive Director
Secretary	Cargil Management Services Limited
Executive office:	Room 3205, 32/F, West Tower, Shun Tak Centre 168-200 Connaught Road Central Hong Kong
Nominated Adviser:	ZAI Corporate Finance Limited 11 Staple Inn London WC1V 7QH
Broker:	Peterhouse Corporate Finance Limited 3rd Floor, New Liverpool House 15 Eldon Street London EC2M 7LD
Registrar:	Computershare Investor Services Plc PO Box 82 The Pavilions Bridgwater Road Bristol BS99 7NH
Solicitors:	DMH Stallard LLP 6 New Street Square New Fetter Lane London EC4A 3BF
Independent Auditor:	Welbeck Associates Statutory Auditor Chartered Accountants 30 Percy Street London W1T 2DB
Website:	http://www.alpharet.com

Index to the financial statements

Chairman's Statement

It gives me great pleasure to announce the results for the year 2015 for Alpha Returns. The results reported in the year to 31 December 2015 do not reflect the positive return made on the disposal of Riche Bright Securities Limited ("RBSL") because of the prescribed accounting treatment, but the position we find ourselves in today is very healthy with a substantial net gain on disposal testament to the strength of our management team, the commitment of our support staff and the ability to make investments with realisable growth prospects.

Whilst the UK's decision to leave the EU has had an immediate, and possibly permanent, impact on the market here in London, the fact that Asia continues to grow means Alpha Returns is very well positioned to continue to provide positive returns to shareholders.

A number of the economies in the Asia Pacific Region ("APAC") have outperformed more advanced countries, despite the global downturn. They have benefitted from continuing lower energy costs and relatively stable governments. The area continues to account for one-third of global growth. The IMF is projecting China to slow to 6.5% in 2016 (2015: 6.9%), but that still outstrips World growth of 3.2% (2015: 3.1%).

Our current portfolio also has a good range of companies in terms of geographical spread, industry, size and the stage of their development, with 52.5% interest in Singapore based Telistar, and a 30% investment in PRC based Maxlife.

Review of 2015

The figures presented have consolidated the results of our subsidiaries excluding RBSL. Whilst the investment in RBSL was realised for a significant gain which will be taken to the 2016 accounts, the other investments in our portfolio are all in growth phase, so any profits generated are ploughed back in to the individual businesses.

The final results for the year ended 31 December 2015 show a consolidated loss after taxation and total comprehensive expenses of £497,404 (2014; (£71,412) with losses of the parent company of £474,941 (2014: £237,127).

The loss for the year on continuing operations was £574,009 (2014: £265,200) attributable to equity holders of the Company. Total assets amounted to £5,050,763 (2014: £5,806,617) with £3,049,490 (2014: £2,846,736) net assets attributable to equity holders of the Company and net cash of £394,963 (2014: £1,848,000). The net cash position for 2015 is after excluding £1,287,573 of cash relating to RBSL following its reclassification as a disposal group (see Note 6 for further details).

Early in the year the Company exercised a final option to increase its holdings in Riche Bright Group to 70% which proved significant given the sale of RBSL on 30 October 2015 through Riche Bright Group. The disposal was completed post year end on 31 May 2016 for a total consideration of HK$33,173,459 in cash, with proceeds still held in HK$. This compares to the initial investment of HK$25,450,944.

The Company also made a conditional 50% investment in Jesoft Computer Technology via a VIE (variable interest entity) structure. Jesoft Computer Technology is a corporate IT solutions provider based in Guangzhou, PRC.

As an investment company the Directors are not involved in the day-to-day operations of its investee companies. The Company's Investing Policy is set out in full in the Strategic Report and on the Company's website at http://alpharet.com/rule26.

Chairman's Statement

2016

On 31 March 2016 the Company completed its 30% investment in Oriental Ventures and Maxlife. Maxlife has transformed its core business into the operations of a subscription based e-commerce platform targeting mid-to-high end consumers in the PRC. Members subscribe to a 24-month contract with monthly subscription fees collected through an auto-debit arrangement and benefit from a 200% money-back guarantee against any counterfeit goods purchased from Maxlife's e-commerce platform.

On 30 April 2016 our Non-Executive Director, Eric Leung resigned. I would like to thank Eric for his contributions to Alpha Returns and wish him all the best in his future endeavours. We continue to have a strong team here at Alpha Returns, but we may also look to expand the Board at some point in the future.

As previously mentioned, on 31 May 2016 our 70% subsidiary RBG completed the disposal of RBSL.

Outlook

The Company continues to make good progress and create shareholder value. The Company now holds significant cash balances for future investments. In April 2016 I visited Hong Kong and chaired a series of meetings and will be returning in the autumn. I believe that the Company has an excellent potential to continue to create shareholder value.

Tony Drury
Chairman

28 June 2016

Strategic Report

The Directors present their results and report for Alpha Returns Group plc (the "Company") for the year ended 31 December 2015, which has been prepared in accordance with the requirements of section 414A of the Companies Act 2006 (the "Act"). The purpose of this report is to inform Shareholders and provide them with sufficient information to enable them to assess the extent to which the Directors have performed their duty to promote the success of the Company in accordance with section 172 of the Act.

The Company's independent Auditor is required to report on whether information given in the Strategic report is consistent with the Financial Statements. The independent Auditor's report can be found on page 10.

BUSINESS REVIEW

During the year the Directors focussed their attention on the Company's existing investments and worked with the management of our investee companies to formulate growth strategies. The Group closed the year with cash balances of £394,963* (2014: £1,848,183) excluding cash held by Riche Bright Securities Limited ("RBSL") in 2015, an investment portfolio worth £1,686,348 (2014: £2,919,130) and equity shareholders' funds of £3,049,490 (2014: £2,846,736).

In February 2015, the Company increased its holdings in Riche Bright Group Limited ("RBG") to 70%. In July 2015, MY Securities Limited was rebranded Riche Bright Securities Limited ("RBSL"). In October 2015, the Company through RBG contracted to dispose of the entire equity interest of RBSL.

In April 2015, the Company entered into a conditional sale and purchase agreement for the acquisition of 50% of the issued share capital of Jesoft International Limited ("Jesoft BVI"), a BVI registered special purpose vehicle incorporated to acquire, via a VIE (variable interest entity) structure, beneficial ownership of Jesoft Computer Technology Co., Ltd. ("Jesoft PRC"). Jesoft PRC is a Guangzhou based company that provides corporate IT solutions to various industries within the PRC including retailers, direct sales, online commerce, logistics and automotives.

KEY PERFORMANCE INDICATORS

The Directors measure the performance of the Company and wider Group of investments using the following indicators:

GROUP STATISTICS	**31 December 2015**	31 December 2014	**Change %**
Net asset value attributable to equity holders	**£3,049,490**	£2,846,736	**7.1%**
Net asset value per share attributable to equity holders	**0.46p**	0.45p	**2.2%**
Closing share price	**0.60p**	3.875p	**(84.5%)**
Cash	**£394,963***	£1,848,183	**(78.6%)**

*The net cash position for 2015 is after reclassifying £1,287,573 of cash and cash equivalents relating to the disposal group. See Note 6 for further details.

INVESTING POLICY

With its Asia-centric focus, Alpha Returns Group Plc will actively seek to acquire and consolidate holdings in companies operating in high-growth Asian economies, with the intention to create and sustain long-term value. The Company may invest in any business sector within its targeted geographic focus.

The Directors see Asia-Pacific as having considerable growth potential for the foreseeable future and many of its prospects they have identified are in the region. The Directors will focus on investments and opportunities which would generally have some or all of the following characteristics, namely:

Strategic Report

INVESTING POLICY (CONTINUED)

- a majority of their revenue derived from the Asia-Pacific region, and strongly positioned to benefit from the region's growth;
- a trading history which reflects past profitability or potential for significant capital growth going forward; and
- where all or part of the consideration could be satisfied by the issuance of new Ordinary Shares or other securities in the Company. The Company does not currently intend to fund any investments with debt or other borrowings but may do so if appropriate.

It is anticipated that the main driver of success for the Company will be its focus, during the investment screening process, on the management involved in the potential investee companies and the potential value creation that the team of people is capable of realising. The Company will identify and assess potential investment targets and where it believes further investigation is required, intends to appoint appropriately qualified advisers to assist in the due diligence process.

The Company intends to be an active investor, and the Directors will seek representation on the board of the investee company where they feel that an investee company would benefit from their skill and expertise.

The Company intends to deliver shareholder returns principally through capital growth rather than capital distribution via dividends.

FUTURE DEVELOPMENTS

As explained in the Chairman's Statement the Company has made good progress with its investments in the Asia-Pacific region, and with the completion of the disposal of RBSL in 2016, the Company is now well positioned to explore new investment opportunities in the region.

PRINCIPAL BUSINESS RISKS AND UNCERTAINTIES

The management of the business and the nature of the Company's strategy are subject to a number of risks. The key risk facing Alpha Returns shareholders is that the value of the investments falls and that future returns to shareholder are therefore lower than they could have been. As the Company has 2 key investments at present any deterioration in trading of Telistar or Maxlife and a consequential fall in investment value is the biggest single risk faced. Similarly performance in excess of expectations on the 2 key investments is the single biggest upside adjustment factor that the Company faces.

The Group operates a system of internal control and risk management in order to provide assurance that the Board is managing risk whilst achieving its business objectives. No system can fully eliminate risk and, therefore, the understanding of operational risk is central to the management process.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's policy in respect of financial instruments and its risk profile is set out in Note 16 to the financial statements.

Strategic Report

ASSESSMENT OF BUSINESS RISK

The Board regularly reviews operating and strategic risks. The Group's operating procedures include a system for reporting financial and non-financial information to the Board including:

- reports from management with a review of the business at each Board meeting, focusing on any new decisions/risks arising;
- reports on the performance of investments;
- reports on selection criteria of new investments;
- discussion with senior personnel; and
- consideration of reports prepared by third parties.

Christopher Neo
Executive Director
28 June 2016

Report of the directors

The directors present their report together with financial statements for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The principal activity of Alpha Returns Group plc as the parent company of the Group is that of an investment company with the main focus being on high-growth prospects in the Asia-Pacific region.

RESULTS AND DIVIDENDS

The consolidated statement of comprehensive income for the year is set out on page 12.

The directors do not propose the payment of a dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management objectives and policies are detailed in note 16.

DIRECTORS

The directors who served during the period and their beneficial interests in the shares of the Company as at 31 December 2014 (or date of appointment if later) and 31 December 2015 (or date of resignation if earlier) were as follows:

	31 December 2015		31 December 2014	
	Shares	**Options**	Shares	Options
C Y Chan	**-**	**5,000,000**	-	5,000,000
C Neo	**12,760,000**	**5,000,000**	12,760,000	5,000,000
A C Drury	**-**	**-**	-	-
H K Leung (resigned 30 April 2016)	**-**	**-**	-	-
F C Tsang	**-**	**-**	-	-

GOING CONCERN

The Directors have a reasonable expectation that the Group has adequate resources to continue in operation or existence for the foreseeable future thus we continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

DISCLOSURE OF INFORMATION TO THE AUDITORS

In the case of each of the persons who are directors of the Company at the time this report was approved:

- So far as each director is aware there is no relevant audit information of which the Company's auditors are unaware: and
- Each of the directors has 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 auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Report of the directors

CORPORATE GOVERNANCE

Although not required by the AIM rules issued by the London Stock Exchange to adopt any particular Corporate Governance Code, the directors recognise the benefits of good governance and endeavour to adopt procedures appropriate to the Group's size and circumstances. In this regard, the directors have considered, but not formally adopted, the Quoted Companies' Alliance Corporate Governance Code with regard to small and medium sized quoted companies.

Audit Committee

The audit committee previously comprised three directors, A C Drury, F C Tsang and H K Leung prior to his resignation on 30 April 2016. Since then, it has been chaired by F C Tsang. The committee is primarily responsible for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported on and for reviewing reports from the auditors relating to accounting and internal controls.
The Board as a whole considers the appointment of external auditors, including their independence, specifically including the nature and scope of non-audit services provided.

AIM Compliance Committee

The AIM compliance committee reports on compliance with the AIM Rules. It comprises three directors, C Y Chan, C Neo and is chaired by A C Drury and is responsible for establishing that procedures, resources and controls are in place to ensure AIM Rule compliance within the company is operating effectively from time to time.

Remuneration Committee

The remuneration committee comprises two directors, H K Leung and F C Tsang. H K Leung has since the year end resigned and will be replaced by A C Drury. F C Tsang chairs the committee. The committee is responsible for determination of the terms, conditions and remuneration of the executive directors.

Nominations Committee

The nominations committee comprises two directors, C Neo and is chaired by A Drury. The committee leads the process for identifying and making recommendations to the Board on candidates for appointment as Directors and Company Secretary.

Going Concern

The directors have considered the position of the Group and have a reasonable expectation that the Group will continue in operational existence for the foreseeable future and have therefore used the going concern basis in preparing the financial statements. See note 1 of the financial statements for further detail.

Internal Controls

The Directors acknowledge they are responsible for the Group's system of internal control and for reviewing the effectiveness of these systems. Although they are an investment company they will not be involved in the day-to-day operations of the investment entities. However, they will be involved in the risk management process and ensuring implementation of systems of internal control which are designed to manage, rather than eliminate, the risk of the Group failing to achieve its strategic objectives. It should be recognised that such systems can only provide reasonable and not absolute assurance against material misstatement or loss. The Directors feel the Group has well established procedures which are considered adequate given the size of the business.

Report of the directors

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. The Directors are required by the AIM Rules of the London Stock Exchange to prepare group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and have also elected to prepare the Company financial statements in accordance with IFRS as adopted by the EU. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company and 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 accounting estimates that are reasonable and prudent
- state whether applicable IFRSs 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.

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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

SUBSTANTIAL SHAREHOLDINGS

At 27 June 2016 the Company had been notified of the following substantial shareholdings (over 3%):

Shareholders	Number of Ordinary Shares	Percentage of Issued Shares Held
Sze Thye Group Ltd	185,520,003	26.74%
Wong Xin Yan	33,316,202	4.80%
Mang King Chung Dennis	26,018,668	3.75%
Add-Plus Electronic Pte Ltd	21,260,504	3.06%

At 27 June 2016 the Company is also aware of the following nominee shareholdings amounting to 3% or more:

Nominees	Number of Ordinary Shares	Percentage of Issued Shares Held
W B Nominees Limited	112,337,398	16.19%
*JIM Nominees Limited a/c JARVIS	63,360,843	9.13%
Securities Services Nominees Limited a/c 2832040	49,824,952	7.18%

*Note - the JIM Nominees account includes 28,000,000 (4.04%) beneficially owned by Sze Thye Group Limited and 12,760,000 (1.84%) beneficially owned by Christopher Neo.

Report of the directors

DIRECTORS BIOGRAPHIES

Anthony Charles Drury (Non-Executive Chairman)

Tony is an experienced corporate financier who, from 1998 – 2006, built St. Helen's Capital into the most successful ISDX (formerly known as PLUS) Markets corporate advisory firm. He has acted for over 70 AIM and ISDX Markets firms. He has wide experience in the Far East having been a director of three Chinese companies. He is also non-executive chairman of Axiom Capital Limited, a London-based corporate advisory business. Tony chairs the AIM Compliance and Nomination Committees and sits on the Audit Committee.

Chan Cheong Yee ("Quattro") (Executive Director)

Mr. Chan is currently the sales director and responsible officer of China Everbright Securities (HK) Limited and has been in the financial and investment field for over 20 years. He is experienced in dealing in securities, fund management, corporate management, corporate finance and managing listed investment companies under Chapter 21 of the Listing Rules of the Stock Exchange of Hong Kong. To date, Mr. Chan is an Executive Director of China Innovation Investment Limited, Bingo Group Holdings Limited, China Investment and Finance Group Limited, and China Investment Development Limited, all companies listed on the Hong Kong Stock Exchange. He is also a Non-Executive Director of Agritrade Resources Limited, listed on the Hong Kong Stock Exchange.

Mr. Chan is directly involved in identifying investment opportunities, conducting due diligence, performing valuation, monitoring performance of investment portfolios and providing investment and divestment recommendations. He obtained a Bachelor of Science degree from the College of Business Administration of The University of South Florida in the United States of America.

Christopher Neo (Executive Director)

Christopher, a Hong Kong based entrepreneur, is an experienced commodities trader specialising in the physical trade of coal and iron ore. He has worked with trading firms across several countries in the Asia Pacific region, including China, Malaysia and Indonesia. Christopher manages the daily operations in the Hong Kong office, and plays a key role in identifying investment opportunities for the company.

Tsang Fung Chu ("Ellen") (Independent Non-Executive Director)

Ms. Tsang is a Fellow of both the Hong Kong Institute of Certified Public Accountants (HKICPA) and of the Association of Chartered Certified Accountants (ACCA) and has a Bachelor's degree in Social Science from the University of Hong Kong. She has broad experience in the finance and accounting fields and co-founded C & T Associates Ltd. which provides professional services to various kinds of PRC companies and investors and has acted as reporting accountant for various very substantial transactions for Hong Kong listed companies. She was also an independent non-executive director of Hong Kong GEM listed Bingo Group Holdings Ltd. for three years to August 2010. She has served as honorary auditor for several non-governmental and non-profit making organisations and has held a number of government and public appointments. Ms. Tsang chairs the Remuneration committee and Audit committee.

POST YEAR END EVENTS

There are no material events after the balance sheet date other than those detailed in Note 22.

AUDITORS

A resolution to re-appoint Welbeck Associates, as auditors will be put to the members at the annual general meeting.

BY ORDER OF THE BOARD
Christopher Neo
Director
28 June 2016

Independent auditors' report to the members of Alpha Returns Group plc

We have audited the financial statements of Alpha Returns Group plc for the year ended 31 December 2015 which comprise the Group income statement, the Group statement of comprehensive income, the Group and Parent Company statements of changes in equity, the Group and Parent Company statements of financial position, the Group and Parent Company statements of cash flows, and the related notes. The financial reporting framework that has been applied in the preparation of the group and parent company financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the statement of directors' responsibilities set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'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 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 annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON FINANCIAL STATEMENTS

In our opinion:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

Independent auditor's report (continued)

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Jonathan Bradley Hoare (Senior Statutory Auditor)
For and on behalf of Welbeck Associates
Chartered Accountants and Statutory Auditor
London, United Kingdom

28 June 2016

Consolidated statement of comprehensive income

	Note	12 months to Dec 2015 £	12 months to Dec 2014 £
Continuing operations			
Revenue		2,256,770	1,219,808
Cost of sales		(1,388,507)	(361,209)
		868,263	858,599
Administration costs		(1,251,988)	(996,243)
Share based payments	18	(134,000)	(127,758)
Other income		28,880	45,876
Other losses	15	(37,000)	-
Operating loss		(525,845)	(219,526)
Finance cost		(1)	-
Finance income		6	40
Investment income		6,515	2,680
Gain on foreign exchange		3,167	58,915
Loss on continuing operations before taxation	2	(516,158)	(157,891)
Taxation	5	(6,193)	(1,391)
Loss on continuing operations after taxation		(522,351)	(159,282)
Profit from operations reclassified as held for sale	6	5,258	-
Loss on operations after taxation		(517,093)	(159,282)
Attributable to:			
Equity holders of the company		(574,009)	(265,200)
Non- controlling interests		56,916	105,918
Basic and diluted loss per share	7		
Basic and diluted – continuing operations		(0.09p)	(0.05p)
Basic and diluted – operations reclassified as held for sale		0.00p	-
Total basic and diluted loss per share		(0.09p)	(0.05p)
Other comprehensive income			
Gain on translation of foreign subsidiaries		19,689	87,870
Loss after taxation and total comprehensive expense		(497,404)	(71,412)

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the parent company profit and loss account. The loss for the parent company for the year was £474,941 (2014: 237,127).

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

Consolidated statement of financial position

	Note	31 December 2015	Restated 31 December 2014
		£	£
Assets			
Non-Current Assets			
Property, plant and equipment	9	107,477	104,815
Intangible assets	10	1,276,407	1,317,857
Investments - Available for sale	15	790,883	583,720
Deferred income tax assets		-	19,290
		2,174,767	2,025,682
Current Assets			
Assets of disposal group classified as held for sale	6	1,860,773	-
Trade and other receivables	12	620,260	1,932,752
Cash and cash equivalents	13	394,963	1,848,183
		2,875,996	3,780,935
Total Assets		5,050,763	5,806,617
Liabilities			
Liabilities of disposal group classified as held for sale	6	107,926	-
Trade and other payables	14	720,402	1,538,173
Total Liabilities		828,328	1,538,173
Net Assets		4,222,435	4,268,444
Equity			
Share capital	17	1,351,624	1,348,580
Share premium	17	7,069,224	6,525,522
Revaluation reserve		8,275	-
Share option reserve		261,758	127,758
Foreign currency translation reserve		109,975	87,870
Profit and loss account		(5,751,366)	(5,242,994)
Attributable to equity shareholders of the company		3,049,490	2,846,736
Non-controlling interests		1,172,945	1,421,708
Total equity		4,222,435	4,268,444

The financial statements were approved by the Board of Directors on 28 June 2016.

C Neo
Director

Company statement of financial position

	Note	31 December 2015 £	31 December 2014 £
Fixed assets			
Investments	11	1,686,348	2,919,130
Current assets			
Trade and other receivables	12	1,759,706	323,135
Cash and cash equivalents	13	7,130	7,130
		1,766,836	330,265
Total Assets		3,453,184	3,249,395
Current liabilities			
Trade and other payables	14	68,385	70,400
Total liabilities		68,385	70,400
Net assets		3,384,799	3,178,995
Capital and reserves			
Called up share capital	17	1,351,624	1,348,580
Share premium	17	7,069,224	6,525,523
Share option reserve		261,758	127,758
Profit and loss account		(5,297,807)	(4,822,866)
Equity shareholders' funds		3,384,799	3,178,995

The financial statements were approved by the Board of Directors on 28 June 2016.

C Neo
Director

The accompanying accounting policies and notes form an integral part of these financial statements

Consolidated statement of changes in equity

	Share capital £	Share premium £	Share option reserve £	Revaluation reserve £	Foreign currency reserve £	Profit and loss account £	Total equity £	Non-controlling interest £	Total £
Balance at 1 Jan 2014	1,332,843	4,255,147	-	-	-	(4,722,744)	865,246	-	865,246
Shares issued in year	15,737	2,270,375	-	-	-	-	2,286,112	-	2,286,112
Share based payment charge	-	-	127,758	-	-	-	127,758	-	127,758
Foreign Currency Reserve	-	-	-	-	87,870	-	87,870	-	87,870
Acquisitions during the year	-	-	-	-	-	-	-	1,060,740	1,060,740
Loss for the year and total comprehensive expense	-	-	-	-	-	(265,200)	(265,200)	105,918	(159,282)
Balance at 31 Dec 2014	1,348,580	6,525,522	127,758	-	87,870	(4,987,944)	3,101,786	1,166,658	4,268,444
Prior year adjustment (see note 9)	-	-	-	-	-	(255,050)	(255,050)	255,050	-
Restated balance at 31 Dec 2014	1,348,580	6,525,522	127,758	-	87,870	(5,242,994)	2,846,736	1,421,708	4,268,444
Shares issued in year	3,044	543,702	-	-	-	-	546,746	-	546,746
Share based payment charge	-	-	134,000	-	-	-	134,000	-	134,000
Revaluation of investment	-	-	-	8,275	-	-	8,275	-	8,275
Foreign Currency reserve	-	-	-	-	22,105	-	22,105	13,421	35,526
Acquisitions during the year	-	-	-	-	-	65,637	65,637	(319,100)	(253,463)
Loss for the year and total comprehensive expense	-	-	-	-	-	(574,009)	(574,009)	56,916	(517,093)
Balance at 31 Dec 2015	1,351,624	7,069,224	261,758	8,275	109,975	(5,751,366)	3,049,490	1,172,945	4,222,435

Company statement of changes in equity

	Share capital £	Share premium £	Merger reserve £	Profit and loss account £	Total equity £
Balance at 1 Jan 2014	1,332,843	4,255,147	-	(4,585,739)	1,002,251
Shares issued in year	15,737	2,270,376	-	-	2,286,113
Share based payment charge	-	-	127,758		127,758
Loss for the year and total comprehensive expense	-	-	-	(237,127)	(237,127)
Balance at 31 Dec 2014	1,348,580	6,525,523	127,758	(4,822,866)	3,178,995
Shares issued in year	3,044	543,701	-	-	546,745
Share based payment charge	-	-	134,000	-	134,000
Loss for the year and total comprehensive expense	-	-	-	(474,941)	(474,941)
Balance at 31 Dec 2015	1,351,624	7,069,224	261,758	(5,297,807)	3,384,799

Consolidated statement of cash flows

	12 months to Dec 2015 £	12 months to Dec 2014 £
Cash flows from operating activities		
Loss after taxation	(435,100)	(159,282)
Adjustments for:		
Depreciation and amortisation	20,451	17,474
Loss/(profit) on disposal of investments	37,000	-
Loss/(profit) on sale of property, plant and equipment	3,854	(430)
Share based payments	134,000	127,758
Dividend income	(88,383)	-
Decrease/(increase) in trade and other receivables	951,826	(375,207)
(Increase)/decrease in trade and other payables	(815,618)	(238,014)
Foreign exchange differences	(24,982)	6,337
Taxation	43,293	1,391
Income tax paid	(14,844)	(4,525)
Net cash used in operating activities	(188,503)	(624,498)
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired	-	(651,121)
Purchase of property, plant and equipment	(80,576)	(86,251)
Disposal of property, plant and equipment	102,221	900
Purchase of investments	(75,617)	(479,098)
Net cash used in investing activities	(53,972)	(1,215,570)
Cash flows from financing activities		
Net proceeds from issue of share capital	-	2,959,853
Net cash generated from financing activities	-	2,959,853
Net (decrease)/increase in cash and cash equivalents	(242,475)	1,119,785
Cash and cash equivalents at beginning of period	1,848,183	572,296
Cash and cash equivalents in disposal group	(1,287,573)	-
Effect of foreign exchange rate changes on cash and cash equivalents	76,828	156,102
Cash and cash equivalents at end of period	394,963	1,848,183

Company statement of cash flows

	12 months to 31 December 2015 £	12 months to 31 December 2014 £
Cash flows from operating activities		
Loss after taxation	(474,941)	(237,127)
Adjustments for:		
Loss on disposal of investment	87,000	-
Share based payment	134,000	127,758
Increase in trade and other receivables	(1,147,224)	(303,223)
Decrease in trade and other payables	(2,015)	(1,935)
Decrease in amounts due from related parties	1,403,180	-
Net cash used in operating activities	-	(414,527)
Cash flows from investing activities		
Purchase of investments	-	(970,473)
Net cash used in investing activities	-	(970,473)
Cash flows from financing activities		
Net proceeds from issue of share capital	-	1,385,000
Net cash generated from financing activities	-	1,385,000
Net increase/(decrease) increase in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of period	7,130	7,130
Cash and cash equivalents at end of period	7,130	7,130

Principal accounting policies

BASIS OF PREPARATION

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to IFRS.

As in prior periods, the Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. A third statement of financial position in respect of the Company, as at the date of transition to IFRS, has been presented as required by IAS 1 (revised) as these are the Company's first financial statements prepared in accordance with IFRS. As set out in note 3 certain adjustments have been made to the comparative figures for prior periods as a result of the transition to IFRS. The financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

These consolidated financial statements have been prepared under the historical cost convention.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. These estimates and assumptions are based upon management's knowledge and experience of the amounts, events or actions. Actual results may differ from such estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In certain circumstances, where fair value cannot be readily established, the Group is required to make judgements over carrying value impairment, and evaluate the size of any impairment required.

Fair value of financial instruments

The Group holds investments that have been designated as held for trading on initial recognition. Where practicable the Group determines the fair value of these financial instruments that are not quoted (Level 3), using the most recent bid price at which a transaction has been carried out. These techniques are significantly affected by certain key assumptions, such as market liquidity. Other valuation methodologies such as discounted cash flow analysis assess estimates of future cash flows and it is important to recognise that in that regard, the derived fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately.

Share based payments

The estimate of share based payments costs requires management to select an appropriate valuation model and make decisions about various inputs into the model including the volatility of its own share price, the probable life of the options and the risk free interest rate.

Going concern

The reasons for the directors considering that it is appropriate to adopt the going concern basis in the preparation of these financial statements are set out in note 1.

Principal accounting policies

STATEMENT OF COMPLIANCE

The financial statements comply with IFRS as adopted by the European Union. The following new and revised Standards and Interpretations have been adopted in the current period by the Group for the first time and do not have a material impact on the group:

		Effective date (periods beginning on or after)
IFRS 12	Disclosure of interests in other entities - Amendments regarding the application of consolidation exception	1 January 2016
IAS 28	Investments in associates and joint ventures – Amendments regarding the application of the consolidation exception	1 January 2016

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

BASIS OF CONSOLIDATION

The Group's consolidated financial statements incorporate the financial statements of the parent company and all of its subsidiary investments drawn up to 31 December 2015. Although the Company is an investment Company which focuses on self-sustainable investment targets, and thus the Board of Directors are not involved in the day-to-day operations of its subsidiary undertakings, it is still required to consolidate the results of the subsidiaries under IFRS through the ability to exercise control through voting rights. Subsidiaries are thus entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from its activities

Unrealised gains on transactions between the Group and its subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Acquisitions of subsidiaries are dealt with by the acquisition method. The acquisition method involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition the assets and liabilities of the subsidiary are included in the consolidated statement of financial position at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group accounting policies. Goodwill is stated after separating out identifiable intangible assets. Goodwill represents the excess of the fair value of the consideration transferred over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Acquisition costs are expensed as incurred.

REVENUE

Revenue is measured by reference to the fair value of consideration received or receivable by the Group for goods supplied and services provided, excluding VAT or applicable sales tax, and trade discounts. Revenue is recognised upon the performance of services or transfer of risk to the customer.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods which is generally when a software licence is delivered.
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold which is generally when the licence key is delivered,
- it is probable that the economic benefits associated with the transaction will flow to the entity, and
- the amount of revenue and the costs associated with the transaction can be measured reliably.

Principal accounting policies

REVENUE (continued)

Support services
Related ancillary services such as support and maintenance and system hosting are recognised over the period of the contract. Content development sales are recognised on a work performed basis. Where training or support services are invoiced but not supplied by the period end, the value of these services is recorded in current liabilities as deferred income.

The outcome of the transaction is deemed to be able to be estimated reliably when all the following conditions are satisfied:

- the stage of completion of the transaction at the reporting date can be measured reliably and is estimated by reference to the period of the contract,
- it is probable that the economic benefits associated with the transaction will flow to the entity, and
- the amount of revenue and costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Commission
Commission income from the securities and brokerage business is recognised when services are rendered.

Interest Income
Interest income in respect of the securities and brokerage business is recognised using the effective rate of interest.

SEGMENTAL REPORTING

The Group is organised around business class and the results are reported to the Chief Operating Decision Maker according to this class. There is one continuing class of business, being the investment in the Asia-Pacific region.

Given that there is only one continuing class of business, operating with the Asia-Pacific no further segmental information has been provided.

GOODWILL

Goodwill, representing the excess of the fair value of the consideration transferred over the fair value of the Group's share of the identifiable net assets acquired, is capitalised and reviewed annually for impairment. Goodwill is carried at cost less accumulated impairment losses.

INTANGIBLE ASSETS

Distribution rights are initially recognised at cost, then amortised to the statement of comprehensive income over their estimated economic life.

Software development costs relate to expenditure on the development of certain new products and service projects where the outcome of those projects is assessed as being reasonably certain as regards viability and technical feasibility. Such expenditure is capitalised and amortised over the expected sales life of the software, being generally a period not longer than five years commencing in the year the sales of the product were first made.
Development costs incurred on specific projects are capitalised when all the following conditions are satisfied:

- completion of the intangible asset is technically feasible so that it will be available for use or sale
- the Group intends to complete the intangible asset and use or sell it
- the Group has the ability to use or sell the intangible asset
- the intangible asset will generate probable future economic benefits
- there are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- the expenditure attributable to the intangible asset during its development can be measured reliably.

Principal accounting policies

INTANGIBLE ASSETS (CONTINUED)

Development costs not meeting the criteria for capitalisation are expensed as incurred.

The Stock Exchange of Hong Kong ("SEHK") requires all Exchange Participants ("EPs") to hold at least one Trading Right ("TR") of the respective exchanges. All new trading rights are issued by the Exchanges for a fee of HK$500,000. This right is held in the name of RBSL and has been separately capitalised. The Directors carry out impairment reviews on an annual basis on the fair value of the right and whether any indicators of impairment have arisen.

ASSETS ACQUIRED AS PART OF A BUSINESS COMBINATION

In accordance with IFRS 3 Business Combinations revised, an intangible asset acquired in a business combination is deemed to have a cost to the Group of its fair value at the acquisition date. The fair value of the intangible asset reflects market expectations about the probability that the future economic benefits embodied in the asset will flow to the Group. Where an intangible asset might be separable, but only together with a related tangible or intangible asset, the group of assets is recognised as a single asset separately from goodwill.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses.

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at cost, net of depreciation and any provision for impairment.

Disposals

The gain or loss arising on the disposal of an asset is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all property, plant and equipment by equal annual instalments where it reflects the basis of consumption of the asset over their estimated useful economic lives. The rates/periods generally applicable are:

Fixtures, fittings and equipment	2-10 years straight line
Leasehold improvements	2-3 years straight line
Motor Vehicles	5 years straight line

Material residual value estimates are updated to current value as required, but at least annually.

IMPAIRMENT TESTING OF GOODWILL, OTHER INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors the related cash flows.

Goodwill, cash-generating units that include goodwill, and those intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Principal accounting policies

IMPAIRMENT TESTING OF GOODWILL, OTHER INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units to which goodwill has been allocated are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit.

With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Costs of ordinarily interchangeable items are assigned using the first in, first out cost formula.

LEASES

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Operating lease costs are charged to the statement of comprehensive income on a straight line basis over the lease term.

TAXATION

Current tax is the tax currently payable based on taxable profit for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity.

Principal accounting policies

FINANCIAL ASSETS

All financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are recognised at fair value plus transaction costs.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables and cash and cash equivalents are classified as loans and receivables. Loans and receivables are measured subsequent to initial recognition at amortised cost using the effective interest method, less provision for impairment. Any change in their value through impairment or reversal of impairment is recognised in the statement of comprehensive income.

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.

Investments held at fair value through profit or loss

All investments are determined upon initial recognition as held at fair value through profit or loss were designated as investments held for trading. Investment transactions are accounted for on a trade date basis. Assets are de-recognised at the trade date of the disposal. Assets are sold at their fair value, which comprises the proceeds of sale less any transaction cost. The fair value of the financial instruments in the balance sheet is based on the quoted bid price at the balance sheet date, with no deduction for any estimated future selling cost. Unquoted investments are valued by the directors using primary valuation techniques such as recent transactions, last price and net asset value. Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the consolidated statement of comprehensive income as “Net gains on investments”. Investments are initially measured at fair value plus incidental acquisition costs. Subsequently, they are measured at fair value in accordance with IAS 39. This is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

A financial asset is de-recognised only where the contractual rights to the cash flows from the asset expire or the financial asset is transferred and that transfer qualifies for de-recognition. A financial asset is transferred if the contractual rights to receive the cash flows of the asset have been transferred or the Group retains the contractual rights to receive the cash flows of the asset but assumes a contractual obligation to pay the cash flows to one or more recipients. A financial asset hat is transferred qualifies for de-recognition if the Group transfers substantially all the risks and rewards of ownership of the asset, or if the Group neither retains nor transfers substantially all the risks and rewards of ownership but does transfer control of that asset.

FINANCIAL LIABILITIES

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities categorised as at fair value through profit or loss are recorded initially at fair value and all transaction costs are recognised immediately in the income statement. All other financial liabilities are recorded initially at fair value, net of direct issue costs.

Principal accounting policies

FINANCIAL LIABILITIES (continued)

Financial liabilities categorised as at fair value through profit or loss are re-measured at each reporting date at fair value, with changes in fair value being recognised in the income statement. All other financial liabilities are recorded at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance cost in the income statement. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to the income statement on an accruals basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

A financial liability is de-recognised only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires.

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.
- “Shares option reserve” represents the fair value of the employee equity settled share option scheme as accrued at the balance sheet date.
- "Profit and loss account" represents retained profits and losses.

FOREIGN CURRENCIES

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the statement of comprehensive income in the period in which they arise.

SHARE-BASED PAYMENT

For equity-settled share options, the services received from employees are measured by reference to the fair value of the share options. The fair value is calculated at grant date and recognised in the statement of comprehensive income, together with a corresponding credit to "other reserves", on a straight-line basis over the vesting period, based on the best available estimate of the number of options that are expected eventually to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting. Vesting conditions, other than market conditions, are not taken into account when estimating the fair value.

IFRS 2 has been applied, in accordance with IFRS 1, to equity-settled share options granted on or after 7 November 2002 and not vested at 1 April 2006.

Upon exercise of share options the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium. At the year-end date all options previously granted were deemed to have lapsed.

Notes to the group financial statements

1 GOING CONCERN

The financial statements have been prepared on the going concern basis.

In determining the appropriate basis of preparation of the financial statements, the Directors have considered whether the Group can continue in operational existence for the foreseeable future. At 31 December 2015 although the Group had adequate cash, the Company had cash resources of only £7,130 along with net assets of £3,384,799. The directors have prepared cash flow forecasts through to December 2017, which show that the Group will have sufficient available cash resources to provide for its future requirements. In preparing their forecasts they have given due regard to the risks and uncertainties affecting the business as set out in the Strategic Report and the liquidity risk disclosed in note 16, and they have made the following key assumptions:

- that additional funds will be raised; and
- that no new investment will be undertaken by the Group unless sufficient additional funding is in place.

After making enquiries, the Directors have formed a judgement that there is a reasonable expectation that the Company can secure further adequate resources when needed, to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Group's financial statements.

2 LOSS BEFORE TAXATION

Loss on continuing operations before taxation is stated after charging:

	Year to Dec 2015 £	Year to Dec 2014 £
Depreciation of plant, property and equipment		
- owned by the group	**49,031**	17,143
Auditors' remuneration:		
Fees payable to the Group's auditors for the audit of the Company's annual accounts	**10,000**	10,000
Fees payable to the Group's auditors for other services:		
- The audit of the Company's subsidiaries, pursuant to legislation	**15,000**	15,000
- Taxation services	**1,500**	1,500
Operating lease rentals		
- other operating leases of the group	**56,472**	49,231

3 DIRECTORS AND EMPLOYEES

Staff costs for the Group during the period were as follows:

	Year to 31 December 2015 £	Year to 31 December 2014 £
Wages and salaries	**319,322**	163,243
Share based payment charge	**50,250**	63,880
Social security costs	**9,423**	5,772
	378,995	232,895

Notes to the group financial statements

3 DIRECTORS AND EMPLOYEES (continued)

The average number of employees (including directors) of the Company during the period was as follows:

	Year to 31 December 2015 Number	Year to 31 December 2014 Number
Administration	5	5

4 DIRECTORS

Key management are considered to be the Directors. Remuneration in respect of directors is disclosed as follows.

Name	Fees £	Share based payment charge £	Total 2015 £	Total 2014 £
C Y Chan	19,672	16,750	36,422	35,642
C Neo	11,475	16,750	28,225	24,495
H K Leung (resigned 30 April 2016)	7,869	-	7,869	7,869
A C Drury	30,000	-	30,000	19,589
F C Tsang	7,869	-	7,869	2,623
G Collier (resigned 31 July 2014)	-	-	-	21,220
	76,885	33,500	110,385	111,438

There were no pension contributions made or payable during the year and no cash or non-cash benefits were paid or payable.

5 TAXATION

No provision has been made for corporation tax due to Group trading losses being available for relief against the future profits of the Group at 31 December 2015. No deferred tax has been recognised in respect of the losses as recoverability is uncertain.

Analysis of the charge for the period;

	Year to Dec 2015 £	Year to Dec 2014 £
Current tax	6,193	1,391

The tax assessed for the period differs from that calculated at the standard rate of corporation tax in the UK. The difference is explained below:

Notes to the group financial statements

5 TAXATION (continued)

	Year to Dec 2015 £	Year to Dec 2014 £
Loss on continuing activities before taxation	(517,093)	(71,412)
Loss on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 20% (Dec 2014: 23.5%)	(103,419)	(16,782)
Effects of:		
Expenses not deductible for tax purposes	2,257	544
Excess of depreciation and amortisation over capital allowances	12,984	14,291
Unutilised tax losses carried forward	88,178	1,947
UK Tax charge for the period	-	-

The current tax charge of £6,193 (2014: 1,391) relates to the Malaysia corporation tax on the profits on the Telistar Group.

6 OPERATIONS FROM ASSETS RECLASSIFIED AS HELD FOR SALE

During the year the Group announced the conditional sale by its 70 per cent owned joint venture investment vehicle Riche Bright Group Limited of Riche Bright Securities Limited ("RBSL"). On 31 May 2016 the Group announced the completion of the disposal of RBSL

The assets and liabilities related to RBSL have been presented as held for sale following the agreement dated 30 October 2015 to sell RBSL. The completion date is 31 May 2016.

Group

	£
Operating cash flows	(116,473)
Investing cash flows	(100,003)
Financing cash flows	(84,383)
Total cash flows	(300,859)

Assets of disposal group classified as held for sale:

	£
Property, plant and equipment	9,402
Intangible assets	43,579
Investments	17,431
Cash and cash equivalents	1,287,573
Other current assets	502,788
Total assets	1,860,773

Liabilities of disposal group classified as held for sale:

	£
Trade and other payables	105,816
Other current liabilities	2,110
Total liabilities	107,926

Notes to the group financial statements

6 OPERATIONS FROM ASSETS RECLASSIFIED AS HELD FOR SALE (continued)

The results of the activities related to Riche Bright Securities Limited are as follows:

	£
Revenue	686,664
Administrative expenses	(708,375)
Other income	64,070
Tax expense	(37,101)
Net profit attributable to activities associated with assets held for sale	5,258

7 LOSS PER SHARE

	2015 £	2014 £
Loss attributable to equity holders of the Group:		
Loss from continuing operations	(579,267)	(265,200)
Profit from operations reclassified as held for sale	5,258	-
Loss for the period attributable to equity holders of the Group	(574,009)	(265,200)
Weighted average number of ordinary shares in issue for basic and fully diluted earnings	654,029,897	585,326,862
Earnings per share attributable to equity holders of the Group:		
Basic and diluted loss per share from continuing operations	(0.09p)	(0.05p)
Basic and diluted loss per share from operations classified as held for sale	0.00p	-
Basic and diluted loss per share for the period	(0.09p)	(0.05p)

For the current year and for the prior period the loss attributable to ordinary shareholders and the weighted average number of ordinary shares for the purpose of calculating the diluted earnings per share are identical to those used for the basic loss per share. This is because the exercise of share options and warrants would have the effect of reducing the loss per share and is therefore not dilutive under the terms of IAS 33.

8 PRIOR YEAR ADJUSTMENT

In the period ended 31 December 2014, the non-controlling interest in the goodwill arising on acquisition of Riche Bright Securities Limited by Riche Bright Group Limited was included in the equity attributable to equity shareholders of the Company. This resulted in an overstatement of equity attributable to equity shareholders of the Company and an understatement of equity attributable to non-controlling interests, which has been corrected by a prior year adjustment. The effect on the comparative figures for the period ended 31 December 2014 is to restate the equity attributable to equity shareholders and non-controlling interests to £2,846,736 and £1,421,708, from £3,101,786 and £1,166,658, respectively.

Notes to the group financial statements

9 PROPERTY, PLANT AND EQUIPMENT

	Furniture, fittings and equipment £	Leasehold improvements £	Motor Vehicles £	Total £
Cost				
As at 1 January 2015	248,886	16,772	58,362	**324,020**
Purchases during the year	77,444	3,846	50,110	**131,400**
Disposal in period	(13,074)	(7,569)	(61,359)	**(82,002)**
Impairment	(658)	-	-	**(658)**
Foreign exchange adjustment	6,055	324	2,997	**9,376**
Disposal group classified as held for sale	(186,123)	(9,527)	-	**(195,650)**
At 31 December 2015	**132,530**	**3,846**	**50,110**	**186,486**
Depreciation				
As at 1 January 2015	204,031	14,201	973	**219,205**
Depreciation charge for the year	49,490	1,282	11,897	**62,669**
Disposal in period	(7,376)	(5,046)	(11,249)	**(23,671)**
Impairment	(658)	-	-	**(658)**
Foreign exchange adjustment	7,290	371	50	**7,711**
Disposal group classified as held for sale	(176,720)	(9,527)	-	**(186,247)**
At 31 December 2015	**76,057**	**1,281**	**1,671**	**79,009**
Net Book Value as at 31 December 2015	**56,473**	**2,565**	**48,439**	**107,477**
Net Book Value as at 31 December 2014	44,856	2,570	57,389	104,815

The Directors consider the carrying amount of property, plant and equipment to be a reasonable approximation of fair value.

10 INTANGIBLE ASSETS

	Stock exchange trading rights £	Goodwill £	Total £
Cost			
As at 1 January 2015	41,450	1,276,407	1,317,857
Disposal group	-	-	-
At 31 December 2015	**41,450**	**1,276,407**	**1,317,857**
Accumulated amortisation and impairment			
At 1 January and 31 December 2015	-	-	-
Net Book Value as at 31 December 2015	**41,150**	**1,276,407**	**1,317,857**
Net Book Value as at 31 December 2014	41,450	1,276,407	1,317,857

The Directors consider the carrying amount of intangible assets to be a reasonable approximation of fair value.

Notes to the group financial statements

11 INVESTMENTS IN SUBSIDIARIES

The Company investments in subsidiaries and associated undertaking were as follows:

	Company	
	2015	2014
	£	£
As at 1 January	2,919,130	1,047,544
Purchases during the year	257,398	1,871,586
Disposals during the year	(1,490,180)	-
At 31 December	1,686,348	2,919,130

The Group's principal subsidiary undertakings during the year were as follows:

Principal subsidiaries	Country of Incorporation	Percentage of ordinary shares held	Principal activity
AVVA Group Limited	BVI	100%	Dormant
Alpha Returns Hong Kong Limited	Hong Kong	100%	Dormant
ARGP Investments Limited	BVI	100%	Investment holding company
Riche Bright Group Limited	BVI	70%	Investment holding company
Riche Bright Limited*	Republic of Vanuatu	70%	Dormant
Riche Bright Investments Limited*	Hong Kong	70%	Proprietary forex trading (dormant since Feb 2016)
Telistar Solutions Pte Limited**	Singapore	52.5%	IT Solutions
Telistar Solutions SDN BHD***	Malaysia	47.25%	IT Solutions

*100% owned by Riche Bright Group Limited.
**Investment held indirectly through ARGP Investments Limited.
***90% owned by Telistar Solutions Pte. Limited

During the year the Company dissolved its 100% subsidiary Shidu Investments Limited on 7 July 2015.

Notes to the group financial statements

12 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade receivables	442,881	1,677,715	-	-
Amounts owed by group undertakings	-	-	1,753,106	277,874
Client account*	-	15,777	-	-
Other receivables	72,126	97,026	5,037	40,828
Prepayments and accrued income	105,253	142,234	1,563	4,433
	620,260	1,932,752	1,759,706	323,135

*This account represents the balance of money held on trust for clients of RBSL held in specially designated Client accounts held with bank accounts in Hong Kong owing to RBSL. The total balance of the RBSL Client accounts at 31 December 2015 was £698,571.

No receivables were past due or provided for at the year-end or at the previous year end.

The Directors consider the carrying amount of trade and other receivables a reasonable approximation of their fair value. All of the Group's trade and other receivables have been reviewed for indicators of impairment.

13 CASH AND CASH EQUIVALENTS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Cash at Bank	394,963	1,848,183	7,130	7,130

The Directors consider that the carrying value of cash and cash equivalents represents their fair value.

14 TRADE AND OTHER PAYABLES

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Current				
Trade payables	21,944	987,226	11,123	11,123
Trade payables – factored	63,221	101,362	-	-
Taxes and social security	57,421	-	-	-
Other payables	420,652	218,567	19	-
Accruals and deferred income	157,164	231,018	57,243	59,277
	720,402	1,538,173	68,385	70,400

All trade and other payables are short term. The Directors consider the carrying amount of trade and other payables to be a reasonable approximation of fair value.

Notes to the group financial statements

15 INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group		Company	
	2015	2014	**2015**	2014
	£	£	**£**	£
At 1 January – fair value	**583,720**	397,399	**-**	-
Acquisitions	**244,163**	186,321	**-**	-
Impairment	**(37,000)**	-	**-**	-
At 31 December – fair value	**790,883**	583,720	**-**	-
Categorised as:				
Level 1 – quoted investments	**68,207**	68,207	**-**	-
Level 3 – Unquoted investments	**722,676**	515,513	**-**	-

The table of investments sets out the fair value measurements using the IFRS 7 fair value hierarchy. Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 – valued using quoted prices in active markets for identical assets.

Level 2 – valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1.

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data.

The valuation techniques used by the company are explained in the accounting policy note, “Investments held for trading”.

LEVEL 3 FINANCIAL ASSETS

Reconciliation of Level 3 fair value measurement of financial assets:

	2015	2014
		£
Brought forward	**515,513**	347,759
Purchases	**244,163**	167,754
Impairment	**(37,000)**	-
Carried forward	**722,676**	515,513

Included above are amounts of £476,434 and £295,699 that relate to the initial investments by the Company in Oriental Ventures Limited and Jesoft International Limited, respectively.

On 31 March 2014 the Company entered into a Sale and Purchase Agreement (“SPA”) with Wong Xin Yan (“Vendor”) of 30% of the issued share capital of Oriental Ventures Limited. Oriental Ventures was formed to fully acquire Shenzhen Maxlife Catering Management Limited (“Maxlife”). The 30% investment in Oriental Ventures was completed on 31 March 2016. Maxlife has since transformed its core business into the operations of a subscription based e-commerce platform targeting mid-to-high end consumers in the PRC.

On 24 April 2015 the Company entered into a conditional sale and purchase agreements (“SPA”) for the acquisition of 50% of the issued share capital of Jesoft International Limited, a BVI registered special purpose vehicle incorporated in December 2014 which has been formed to acquire, via a variable interest entity structure, beneficial ownership of Jesoft Computer Technology Co. Ltd.

Level 3 valuation techniques used by the Group are explained on page 32 (Fair value of financial instruments).

Notes to the group financial statements

16 FINANCIAL INSTRUMENTS

The Group's financial instruments comprise borrowings, cash and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The main risks arising from its financial instruments are interest rate, liquidity, foreign currency and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised below together with a sensitivity analysis. These policies have remained unchanged from previous years.

Interest rate risk

The Group finances its operations through a mixture of loans and equity capital. Borrowings are generally at floating rates of interest. The Group does not enter into any interest rate derivative transactions to manage interest rate risk. The Group had no interest bearing loans at the year-end or the prior period end and hence no interest rate exposure.

Liquidity risk

The Group seeks to manage financial risk by ensuring liquidity is available to meet foreseeable needs and by investing cash assets safely and profitably.

As at 31 December 2015 the Group's liabilities have contractual maturities which are summarised below:

31 December 2015	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	later than 5 years
	£	£	£	£
Other loans	-	-	-	-
Trade and other payables	561,139	-	-	-
	561,139	-	-	-

This compares to the maturity of the Group's financial liabilities in the previous reporting period as follows:

31 December 2014	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	later than 5 years
	£	£	£	£
Other loans	-	-	-	-
Trade and other payables	1,307,155	-	-	-
	1,307,155	-	-	-

Credit risk

The Group's exposure to credit risk is limited to the carrying amounts of financial assets recognised at the balance sheet date, as follows:

	2015	2014
	£	£
Trade and other receivables	515,007	1,774,741
Cash and cash equivalents	394,963	1,848,183
	909,970	3,622,924

Notes to the group financial statements

16 FINANCIAL INSTRUMENTS (continued)

The key management of the subsidiaries continuously monitor defaults of customers and other counterparties, identified either individually, or by group, and incorporates this information into its credit controls. Where available at reasonable cost external credit ratings and/or reports on customers and other counter parties are obtained and used. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that all the above financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

None of the Group's financial assets are secured by collateral or other credit enhancements.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any counterparties having similar characteristics. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Financial instruments measured at fair value

The Group adopted the amendments to IFRS 7 Improving Disclosures about Financial Instruments effective from 1 January 2009. These amendments require the Group to present certain information about financial instruments measured at fair value in the statement of financial position specifically the fair value hierarchy. The fair value hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair values of the financial assets and liabilities. The fair value hierarchy has the following levels; Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) and Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs). No financial assets or liabilities are measured at fair value in the statement of financial position.

Categories of financial instruments

The carrying amounts of the Group's financial assets and liabilities as recognised at the balance sheet date of the reporting periods under review may also be categorised as follows:

	2015 £	2014 £
Financial assets:		
Investments held at fair value through profit or loss	790,883	583,720
Cash and bank balances	394,963	1,848,183
Loans and receivables	72,126	97,026
	1,257,972	2,528,929
Financial liabilities at amortised cost:		
Trade and other payables	563,238	1,307,155
	563,238	1,307,155

Notes to the group financial statements

16 FINANCIAL INSTRUMENTS (continued)

Capital management policies and procedures

The Group's management objectives are:

- To ensure the Group's ability to continue as a going concern, and
- To provide an adequate return to shareholders

by pricing services commensurately with the levels of risk.

The Group monitors capital on the basis of the carrying amount of equity, less cash and cash equivalents as presented on the face of the balance sheet. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. 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 or reduce debt.

17 SHARE CAPITAL

The issued share capital of the Company is shown below:

	Number of shares		Share Capital			Share
	Ordinary	Deferred	Ordinary	Deferred	Total	Premium
			£	£	£	£
Ordinary shares of 0.01p	631,159,105	-	-	-	-	6,525,522
Deferred shares of 0.45p	-	166,313,349	-	748,410	748,410	-
Deferred shares of 24.99p	-	2,149,077	-	537,054	537,054	-
At 31 December 2014	631,159,105	168,462,426	63,116	1,285,464	1,348,580	6,525,522
Issue of shares 23 February 2015	**13,041,352**	**-**	**1,304**	**-**	1,304	**249,742**
Issue of shares 30 April 2015	**17,394,054**	**-**	**1,740**	**-**	1,740	**293,960**
At 31 December 2015	**661,594,511**	**168,462,426**	**66,160**	**1,285,464**	**1,351,624**	**7,069,224**

The Company has one class of ordinary shares which carry no right of fixed income.

On 23 February 2015 the Company issued 13,041,352 new ordinary shares of 0.01p each as settlement for the additional investment in Riche Bright Group Limited.

On 30 April 2015 the Company issued 17,394,054 new ordinary shares of 0.01p each as part of settlement for an investment of a 50% shareholding in Jesoft International Limited held by ARGP Investments Limited. This 50% shareholding will be acquired on completion of a further issuance of new ordinary shares, the exact number of which will depend on the RMB/GBP exchange rate ruling at the issue date.

The deferred shares carry no right to payment of dividend or on a return of capital.

18 EQUITY- SETTLED SHARE BASED PAYMENTS

During 2014 the Company issued options over 40,000,000 ordinary shares with an exercise price of 2.2p per share.

The share options are exercisable between 17 January 2016 and 17 January 2021.

At the date of grant, the options were valued using the Black- Scholes option pricing model. The fair value per option granted and the assumptions used in the calculation were as follows:

Notes to the group financial statements

18 EQUITY- SETTLED SHARE BASED PAYMENTS (continued)

Date of grant	17 January 2014
Expected volatility	136%
Expected life	3 years
Risk- free interest rate	1.36%
Expected dividend yield	-
Fair value of option	£0.0067

The charge to the income statement for share passed payments for the year ended 31 December 2015 was £134,000 (2014: £127,758).

Movements in the number of options outstanding and their related weighted average exercise prices are as follows:

	Number of options	Weighted average exercise price per share
At 1 January 2015	40,000,000	2.2
Granted	-	-
Forfeited	-	-
Exercised	-	-
Expired	-	-
At 31 December 2015	40,000,000	2.2

The weighted average remaining contractual life of options as at 31 December 2015 was 5.05 years (2014: 6.05 years).

19 RELATED PARTY TRANSACTIONS

Transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not required to be disclosed. The remuneration of the Directors, who are they key management personnel of the Group, is set out in note 4.

During the year an amount of £108,197 (2014: £112,763) was paid to GAEA Resources Limited for management and administration fees for the Company. GAEA resources is connected to Sze Thye Group, a substantial shareholder of the Company. An amount of £nil (2014: £nil) was due as at the year end.

During the year a payment of £4,145 (2014: £nil) was paid to C&T Associates CPA Limited for audit services. Ellen Tsang, a Director, is a partner of C&T Associates CPA Limited. An amount of £nil (2014: £nil) was due as at the year end.

20 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At the balance sheet date, the Group had no known contingent liabilities and capital commitments other than those shown in the financial statements.

Notes to the group financial statements

21 OPERATING LEASES

At 31 December the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	Group	
	2015	2014
Land & buildings:	**£**	£
Less than one year	**56,472**	72,466
Between one and five years	**-**	45,294
More than five years	**-**	-
	56,472	117,760

22 POST YEAR END EVENTS

On 19 January 2016 the Company announced that the long-stop date for satisfaction of the conditions precedent relating to the Company's 50 per cent indirect investment in Jesoft International has been extended to 30 June 2016.

On 1 April 2016 the Company announced the completion of its 30 per cent investment in Oriental Ventures, a BVI registered special purpose vehicle formed to acquire Maxlife, originally announced on 31 March 2014. The second and final tranche consideration is to be satisfied by the issue of 32,142,857 new ordinary shares in Alpha Returns (the "Consideration Shares") (£168,750 at the 31 March 2016 closing price of 0.525p), representing approximately 4.63 per cent. of the Company's enlarged issued ordinary share capital, to Mr Wong Xin Yan, the Vendor of the 30 per cent. Oriental Ventures shareholding. First tranche consideration of HK$5,812,500 cash (then c. £451,000) was paid to the Vendor of Oriental Ventures in April 2014, giving total consideration for the 30 per cent. holding of approximately £620,000.

On 5 April 2016 the Company unconditionally allotted 32,142,857 new ordinary shares to Mr Wong Xin Yan, as the second and final tranche consideration for the acquisition of 30 per cent interest in Oriental Ventures Limited.

On 31 May 2016 the Company completed the disposal of RBSL by its 70 per cent owned joint venture vehicle Riche Bright Group Limited for total cash consideration of HK$33,173,459.

23 ULTIMATE CONTROLLING PARTY

There was no single controlling party.