

ANCHOVY. International Investments Ltd

Company Registration Number: C 85712

Annual Report and Financial Statements

For the Period Ended 31 December 2018

ANCHOVY. International Investments Ltd

For the Period Ended 31 December 2018

CONTENTS

	<u>Page(s)</u>
General Information	1
Directors' Responsibilities	2
Independent Auditors' Report	3 - 5
Income Statement	6
Balance Sheet	7
Notes to the Financial Statements	8 - 11

ANCHOVY. International Investments Ltd

General Information

For the Period Ended 31 December 2018

Registration

ANCHOVY. International Investments Ltd is registered with the Registry of Companies, Malta Business Registry, AM Business Centre, Labour Avenue, Zejtun, Malta as a limited liability company under the Companies Act, (Cap. 386) with registration number C 85712. The company was incorporated on 18 April 2018 and therefore these financial statements cover the period from incorporation to 31 December 2018.

Directors

Mr. Benjamin Borg
Mr. Zachary Borg
Dr. Lawrence Gonzi
Mr. Julian Mamo
Mr. Christopher Mifsud

Company secretary

Mr. Zachary Borg

Registered office

682,
High Street,
Hamrun HMR1012
Malta

Auditor

Zachary Cachia
The Rock, No. 2,
Claire E. Engel Street
Malta STJ1817

ANCHOVY. International Investments Ltd

Directors' Responsibilities

For the period ended 31 December 2018

The directors are required by the Companies Act, Cap. 386 of the Laws of Malta 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 financial statements, the directors are 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.

The directors are also 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 (Cap. 386) enacted in Malta. This responsibility includes designing, implementing and maintaining such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The directors 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.

Independent Auditor's Report

To the Shareholders of ANCHOVY. International Investments Ltd

Report on the Audit of the Financial Statements

Opinion

I have audited the accompanying financial statements of ANCHOVY. International Investments Ltd set out on pages 6 - 11 which comprise the balance sheet as at 31 December 2018, the income statement and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements give a true and fair view of the balance sheet of the Company as at 31 December 2018, and of its financial performance for the period then ended in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations (GAPSME) and have been properly prepared in accordance with the requirements of the Companies Act (Cap. 386).

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am 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 my 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 I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

The directors are responsible for the other information. The other information comprises the general information. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, I am required to report if I have identified material misstatements in the general information and other information. I have nothing to report in this regard.

Responsibilities of the Directors

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with GAPSME, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report (continued)

To the Shareholders of ANCHOVY. International Investments Ltd

Report on the Audit of the Financial Statements

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional scepticism throughout the audit. I 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 my 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 directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Independent Auditor's Report (continued)

To the Shareholders of ANCHOVY. International Investments Ltd

Report on the Audit of the Financial Statements

Report on Other Legal and Regulatory Requirements

Under the Maltese Companies Act (Cap. 386) I am required to report to you if, in my opinion:

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

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

Zachary Cachia

Certified Public Accountant

The Rock, No. 2,

Claire E. Engel Street,

St. Julians, STJ 1817,

Malta

31 July 2019

ANCHOVY. International Investments Ltd

Income Statement

For the Period Ended 31 December 2018

		From 18 April 2018 to 31 December 2018
	Note	€
Administrative expenses		(2,355)
Operating loss		(2,355)
Loss before tax	3.	(2,355)
Taxation		-
Loss for the period		(2,355)

ANCHOVY. International Investments Ltd

Notes to the Financial Statements (continued)

For the Period Ended 31 December 2018

2. Significant accounting policies (continued)

a. Financial assets, financial liabilities and equity (continued)

iii. Share capital issued by the Company

Ordinary shares issued by the Company are classified as equity. Dividends to ordinary shareholders are debited directly to equity and are recognised as liabilities in the period in which they are declared.

b. Impairment of assets

i. Financial assets

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost or cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The amount of the loss is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost/cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

c. 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 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.

Deferred tax is recognised on 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. The Company recognises a deferred tax liability in respect of all taxable temporary differences and a deferred tax asset in respect of all deductible temporary differences except to the extent that such deferred tax liability arises from the initial recognition of goodwill or the deferred tax asset/liability arises from the initial recognition of an asset or liability which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (loss). Recognition of a deferred tax asset is however limited to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The Company re-assesses any unrecognised deferred tax asset at each balance sheet date to determine whether future taxable profit has become probable that allows the deferred tax asset to be recovered.

ANCHOVY. International Investments Ltd
Notes to the Financial Statements (continued)
For the Period Ended 31 December 2018

3. Profit before tax

a. Auditors' remuneration

Total remuneration paid to the Company's auditors during the period amounted to:

Audit fees

From 18 April 2018 to 31 December 2018
€
350

b. Number of employees

The average number of persons employed by the Company during the period was -.

4. Trade and other receivables

Amount due from shareholder

Amount due from shareholder is unsecured, interest free and repayable on demand.

2018
€
240

5. Trade and other payables

Accruals

Amount due to shareholder

Total

Amount due to shareholder is unsecured, interest free and repayable on demand.

2018
€
1,765
590
2,355

ANCHOVY. International Investments Ltd
Notes to the Financial Statements (continued)
For the Period Ended 31 December 2018

6. Relationship between parents and subsidiaries

a. Transactions with related parties

	Transaction value for the period ended	Balance outstanding
	2018	2018
	€	€
Amount due to shareholder	350	350

Amount due to shareholder is unsecured, interest free and repayable upon demand.

**The Schedules and Appendices on the pages that follow do not form part
of the financial statements**

ANCHOVY. International Investments Ltd

For the Period Ended 31 December 2018

Schedule of Administrative Expenses

	From 18 April 2018 to 31 December 2018
	€
Administrative expenses	
Accountancy	1,000
Auditors remuneration	350
Company registration fee	130
Incorporation costs	590
Professional fees	285
Total	2,355

ANCHOVY. International Investments Ltd**Balance Sheet****As At 31 December 2018**

	Note	<u>2018</u> <u>€</u>
ASSETS		
Current assets		
Trade and other receivables	4.	<u>240</u>
TOTAL ASSETS		<u><u>240</u></u>
 EQUITY AND LIABILITIES		
Equity		
Share capital		240
Accumulated losses		<u>(2,355)</u>
Total equity		<u>(2,115)</u>
Liabilities		
Current liabilities		
Trade and other payables	5.	<u>2,355</u>
Total current liabilities		<u>2,355</u>
TOTAL EQUITY AND LIABILITIES		<u><u>240</u></u>

The financial statements set out on pages 6 to 11 were approved and authorised for issue by the Board on 31 July 2019 and signed on its behalf by:



Mr. Benjamin Borg

Director



Mr. Zachary Borg

Director

ANCHOVY. International Investments Ltd

Notes to the Financial Statements

For the Period Ended 31 December 2018

1. Basis of preparation

Basis of measurement and statement of compliance

The financial statements of ANCHOVY. International Investments Ltd ("the Company") have been prepared in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations (GAPSME). The financial statements have been prepared on the historical cost basis. These financial statements present information about the Company as an individual undertaking.

Functional and presentation currency

The financial statements are presented in euro (€), which is the Company's functional currency and presentation currency.

Going concern

As at 31 December 2018, the company's current liabilities exceeded current assets by EUR 2,115. The company's financial statements have been prepared on a going concern basis which assumes the continued support of the company's ultimate parent to settle the company's obligations as and when they fall due and that related parties will not request amounts due unless alternative funds are available.

2. Significant accounting policies

a. Financial assets, financial liabilities and equity

A financial asset or a financial liability is recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially recognised at their fair value plus in the case of financial assets and financial liabilities not classified as held for trading and subsequently measured at fair value, transaction costs attributable to the acquisition or issue of the financial assets and financial liabilities.

Financial assets and financial liabilities are derecognised if and to the extent that, it is no longer probable that any future economic benefits associated with the item will flow to or from the entity.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

A financial instrument, or its component parts, is classified as a financial liability, financial asset or an equity instrument in accordance with the substance of the contractual arrangement rather than its legal form.

i. Trade and other receivables

Trade and other receivables are stated at their nominal value unless the effect of discounting is material in which case trade and other receivables are measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence of impairment.

ii. Trade and other payables

Trade and other payables are stated at their nominal value unless the effect of discounting is material, in which case trade and other payables are measured at amortised cost using the effective interest method.