Okullo Plc

Report and Accounts 2016

Okullo Plc

Contents

Directors, advisers and officers

Directors

Daniel Hodson
Edward Guy Meyer

Secretary
Edward Guy Meyer

Company's registered number
5360907

Registered Office
St Bride's House
10 Salisbury Square
London EC4Y 8EH

Auditors
Crowe Clark Whitehill LLP
St Bride's House
10 Salisbury Square
London EC4Y 8EH

The directors present their report and financial statements for the year ended 30 June 2016.

Review of the business

The company is an investment holding company with no trading activity and its activities during the year have been entirely associated with seeking further suitable investment opportunities including one major potential transaction which was aborted at a late stage. The loss for the year was £217,053 compared to the net loss of £30,353 in 2015; contributing to the former were consultancy fees of £93,026, legal fees of £44,940, auditing and accounting fees of £16,872, and directors' compensation of £93,036. The company's net asset position reduced from £221,879 in 2015 to £4,826 in 2016.

The Directors have not taken any cash remuneration since May 2016 but will receive equivalent compensation in shares upon the achievement of defined objectives. The Company's financial position has therefore stabilised further and it is currently in discussion with a number of parties regarding the acquisition of substantial attractive business assets with a view to further shareholder investment and possible relisting in due course.

Going concern

It is the intention of the Directors to use the Company as the corporate vehicle for the acquisition and possible flotation of a substantial business, as it is in the best interests of the Company's existing Shareholders.

At the balance sheet date, the company had a balance included in other receivables of £170,054, which was held by a Director in a separate bank account, as disclosed in note 12.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

This report was approved by the board on 16 December 2016 and signed on its behalf.

Edward Guy Meyer
Director

Statement of directors' responsibilities

The directors are responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("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 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:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and estimates that are reasonable and prudent;

c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

d. 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company to enable them to ensure that the financial statements comply with the requirements of 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.

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware and we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and

- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

Independent auditor

Crowe Clark Whitehill LLP will be proposed for reappointment in accordance with section 485 of the Company Act 2006.

This report was approved by the board on 16 December 2016 and signed on its behalf.

Edward Guy Meyer
Director

We have audited the financial statements of Okullo plc for the year ended 30 June 2016 which comprise the Statement of comprehensive income, the Statement of financial position, Statement of changes in equity, Statement of cash flow and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) 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 auditors

As explained more fully in the statement of directors' responsibilities set out on page 4, 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 directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2006; and
- 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us.

Leo Malkin

Leo Malkin
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
St Bride's House
10 Salisbury Square
London EC4Y 8EH

Date: 19 December 2016

Okullo Plc
Statement of comprehensive income
for the year ended 30 June 2016

	Notes	2016 £	2015 £
Administrative expenses		(217,053)	(30,353)
Loss on ordinary activities before taxation	3	(217,053)	(30,353)
Income tax expense		-	-
Loss after taxation		**(217,053)**	**(30,353)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(217,053)**	**(30,353)**

The notes on page 12 to 20 form part of these financial statements.

All amounts are derived from continuing operations.

Okullo Plc

Statement of financial position

as at 30 June 2016

Company No. 05360907

	Notes	2016 £	2015 £
Assets			
Non-current assets			
Investments	6	-	-
		-	-
Current assets			
Trade and other receivables	7	175,601	494,472
Cash and cash equivalents		-	-
		175,601	494,472
Total assets		175,601	494,472
Equity and liabilities			
Capital and reserves			
Share capital	9	516,910	516,910
Share premium	9	5,497,076	5,497,076
Retained earnings		(6,009,160)	(5,792,107)
		4,826	221,879
Non-current liabilities			
Other payables	12	157,876	157,876
		157,876	157,876
Current liabilities			
Trade and other payables	8	12,899	114,717
		12,899	114,717
Total liabilities		170,775	272,593
Total equity and liabilities		175,601	494,472

The financial statements were approved by the Board of Directors and authorised for issue on 16 December 2016 and were signed on its behalf by

Edward Guy Meyer
Director

Okullo Plc

Statement of changes in equity

for the year ended 30 June 2016

	Share Capital £	Share Premium £	Retained Earnings £	Total £
Balance as at 1 July 2014	**458,802**	**4,929,120**	**(5,761,754)**	**(373,832)**
Loss for the year	-	-	(30,353)	(30,353)
Total comprehensive loss for the year	-	-	(30,353)	(30,353)
Issue of new shares	58,108	582,956	-	641,064
Issue costs	-	(15,000)	-	(15,000)
Transactions with owners	58,108	567,956	-	626,064
Balance as at 1 July 2015	**516,910**	**5,497,076**	**(5,792,107)**	**221,879**
Loss for the year	-	-	(217,053)	(217,053)
Total comprehensive loss for the year	-	-	(217,053)	(217,053)
Balance as at 30 June 2016	**516,910**	**5,497,076**	**6,009,160**	**4,826**

Okullo Plc
Statement of cash flows
for the year ended 30 June 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Loss for the year		(217,053)	(30,353)
Adjustments for:			
Equity settled share based payment		-	36,064
Diminution of investment		-	-
Changes in working capital:			
(Increase)/decrease in other receivable (see note 12)		-	(303,233)
(Increase)/decrease in trade and other receivables		318,871	(26,239)
(Decrease)/increase in trade and other payables		(101,818)	(191,239)
Cash used in operating activities		-	(515,000)
Cash flows from financing activities			
Proceeds from borrowings from a director		-	100,000
Net proceeds from issue of new ordinary shares		-	415,000
Net cash from financing activities		-	515,000
Net movement in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of year		-	-
Cash and cash equivalents at end of year		-	-
Bank balances and cash		-	-

1. General information

Okullo Plc is a company incorporated in England and Wales under the Companies Act 2006. The address of the registered office is St Bride's House, 10 Salisbury Square, London EC4Y 8EH.

The financial statements are presented in Pounds Sterling ("GBP") which is also the functional currency of the company.

2. Accounting policies

The principal accounting policies adopted are set out below.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS") issued by the International Accounting Standards Board ("IASB"), including related interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and with those parts of the Companies Act, 2006 applicable to companies reporting under IFRS. The financial reports have been prepared under the historical cost convention.

Consolidated financial statements

The company owned 5 subsidiary undertakings, of which two were trading entities in previous year. The director of each trading entity (Manifest Film Sales Limited and JJ Distribution Limited) commenced liquidation proceedings on 2 April 2015.

Following the loss of control of the trading entities described above and the only other subsidiaries are dormant entities, the company has not prepared group financial statements. The financial statements are those of the company only.

New standards, amendments and interpretations to published standards not yet effective

The directors have considered those standards and interpretations, which have not been applied in the financial statements but are relevant to the company's operations, that are in issue but not yet effective and do not consider that any will have a material impact on the future results of the company.

2. Accounting policies (continued)

Going concern

It is the intention of the Directors to use the Company as the corporate vehicle for the acquisition and possible flotation of a substantial business, as it is in the best interests of the Company's existing Shareholders.

At the balance sheet date, the company has a bank balance of £170,054, this is included in other receivables at 30 June 2016 as it is held in the name of a Director, as disclosed in note 12.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Investments

The company classifies its investments depending on the purpose for which the investments were acquired. Management determines the classification of its investment at initial recognition and re-evaluates this designation at every reporting date.

The fair value of unquoted investments is based on valuation techniques. The company assesses at each balance sheet date whether there is objective evidence that a financial asset is impaired.

Trade and other receivables

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost less any provision for impairment.

Trade payables

Trade payables are stated at their nominal value.

Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through comprehensive income statement.

2. Accounting policies (continued)

Financial assets

Financial assets within the scope of IAS 39 are classified as either:

i) financial assets at fair value through profit or loss
ii) loans and receivables
iii) held-to-maturity investments
iv) available-for-sale financial assets

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this classification at every reporting date.

As at the balance sheet date, the company did not have any financial assets at fair value through profit or loss, and in the categories of held-to-maturity investments and available-for-sale financial assets.

Impairment of financial assets

Available-for-sale financial assets
If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost and its fair value is transferred from equity to the income statement. Any reversal of an impairment of an equity instrument classified as available-for-sale is not recognised in the income statement.

Assets carried at amortised cost
If there is objective evidence that an impairment loss on loans and receivables carried at amortised 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 discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognised in administration costs.

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 charge was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds receivables.

2. Accounting policies (continued)

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

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.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities measured at amortised costs.

Financial liabilities are classified as at fair value through comprehensive income statement if the financial liability is either held for trading or it is designated as such upon initial recognition.

Other financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The charge for current tax is based on the results for the year as adjusted for items which are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is accounted for using the liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the rates that are expected to apply when the asset or liability is settled. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

2. Accounting policies (continued)

Provisions

Provisions are recognised when the company has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reasonably estimated.

Capital management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. In addition to the above, the directors closely monitor the company's cost base making reductions where possible whilst maintaining efficiency and skill levels within the company.

Financial risk management

The company uses a limited number of financial instruments, comprising cash, short-term deposits, bank loans and overdrafts and various items such as trade receivables and payables, which arise directly from operations. The company does not trade in financial instruments.

Financial risk factors
The company's activities expose it to a variety of financial risks: currency risk, credit risk, liquidity risk and cash flow interest rate risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

a) Currency risk
The company does not operate internationally and its exposure to foreign exchange risk is limited to the transactions and balances that are denominated in currencies other than Pounds Sterling.

b) Credit risk
The company does not have any major concentrations of credit risk related to any individual customer or counterparty.

c) Liquidity risk
Prudent liquidity risk management implies maintaining sufficient cash and available funding through an adequate amount of committed credit facilities. The company ensures it has adequate resource to discharge all its liabilities. The directors have considered the liquidity risk as part of their going concern assessment. (See note 2).

d) Cash flow interest rate risk
The company has no significant interest-bearing liabilities and assets. The company monitors the interest rate on its interest bearing assets closely to ensure favourable rates are secured.

Fair value estimation
The nominal value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

3. Profit/(loss) for the year

The loss for the year has been arrived at after charging:

	2016 £	2015 £
Trade payables write back	-	(166,822)
Auditors' remuneration		
Audit services	9,000	6,000

4. Staff costs

The average number of people (including the directors) employed by the company during the year was:

	2016 No.	2015 No.
Directors	3	6

A detailed breakdown of the remuneration of the directors is shown in note 12.

5. Corporation tax expense

	2016 £	2015 £
Current tax	-	-
Deferred tax (note 10)	-	-
Taxation attributable to the Company	-	-

The standard corporation tax in the UK applied during the year was 20% (2015: 20%).

The charge for the year can be reconciled to the profit per the income statement as follows.

	2016 £	2015 £
Loss before tax	(217,053)	(30,353)
Tax on the domestic income tax rate of 20% (2015:20%)	(43,411)	(6,071)
Tax effect of:		
- losses carried forward to future years	44,411	6.071
Tax expense and effective tax rate for the year	-	-

6. Investments

	2016 £	2015 £
Shares in subsidiary undertakings		
At 1 July 2015 and 30 June 2016	-	-

Details of the Company's subsidiaries at 30 June 2016 are as follows:

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interest	Proportion of voting power held	Principal activity
Manifest Film Sales Limited (formerly known as Intandem Pictures Ltd)	England & Wales	100	100	Film sales & marketing (in liquidation)
JJ Distribution Limited (formerly known as Intandem Film Distribution Ltd)	England & Wales	100	100	Film distribution (in liquidation)
Intandem Entertainment Ltd	England & Wales	100	100	Dormant Company
Intandem Film Fund 1 LLC	USA	100	100	Dormant Company
Bold INK Limited	England & Wales	100	100	Dormant Company
Okullo Employee Benefit Company Scheme Limited	England & Wales	100	100	Employee benefit scheme

On 1 September 2015, Bold INK Limited was dissolved. On 24 November 2015, the Company has incorporated Okullo Employee Benefit Company Scheme Limited for the purpose of an employee share award scheme. On 23 November 2016, the Company acquired the newly incorporated Momentum Media Consultancy Limited, a wholly owned dormant subsidiary undertaking.

7. Trade and other receivables

	2016 £	2015 £
Unpaid share capital	-	165,000
Other receivables	175,601	329,472
	175,601	494,472

8. Trade and other payables

	2016 £	2015 £
Accruals	12,899	24,717
Amount due to director (note 12)	-	90,000
	12,899	114,717

9. Share capital

Share capital	**2016** £	**2015** £
Balance at 1 July 2015	516,910	458,802
Issued during year	-	58,108
Balance at 30 June 2016	516,910	516,910
Ordinary shares of £0.001 each	62,696	62,696
Deferred shares of £0.099 each	454,214	454,214
	516,910	516,910

Share premium	**2016** £	**2015** £
Balance at 1 July 2015	5,497,076	4,929,120
Issued during year	-	582,956
Issue costs	-	(15,000)
Balance at 30 June 2016	5,497,076	5,497,076

On 30 June 2015, the Company allotted 33,611,112 new ordinary shares at 0.5 pence per share, which raised gross proceeds of £168,056 through private placing.

On 30 June 2015, the Company allotted 5,461,807 new ordinary shares at 0.5 pence per share, which raised gross proceeds of £436,945 through private placing.

On 30 June 2015, the Company allotted 1,250,000 new ordinary shares to a director and two other parties to settle liabilities of £18,279 arising as a result of their services during the course of CVA process.

On 30 June 2015, the Company allotted 17,784,870 new ordinary shares to directors and two other parties to settle liabilities of £17,785 arising as a result of their services during the reorganisation of the business.

During the year of 2016, the directors and a shareholder returned 16,838,014 ordinary shares to the Company at £nil cost. These returned shares are currently held by Okullo Employee Benefit Company Scheme Limited, a wholly owned subsidiary undertaking incorporated on 24 November 2015, for the purpose of an employee share award scheme.

As at 30 June 2016, the company's number of issued share capital was 62,695,808 ordinary shares of £0.001 each and 4,588,019 deferred shares of £0.099 each.

Each ordinary share has the right to receive dividends and repayment of capital, and represents one vote at the shareholders' meetings of the Company.

The holders of deferred shares shall not be entitled to receive dividends and are not allowed to vote at the shareholders' meetings of the Company.

10. Deferred tax

At the balance sheet date, the group has unused tax losses of approximately £1,721,000 (2015: £1,504,000) available for offset against future profits. No deferred tax assets have been recognised in respect of this amount due to the unpredictability of future profit streams.

11. Other financial liabilities

Trade and other payables principally comprise amounts outstanding for purchases and ongoing costs.

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

In June 2014 the company entered into a £1 million Equity Finance Facility ("EFF") over a period of 36 months with Darwin Strategic Limited ("Darwin"). Under this facility, the Company would be obliged to allot Darwin any new ordinary shares at an agreed subscription price warranty to any draw down. The use of this facility will depend on the Commercial progress the company is making.

As at 30 June 2016, the company did not make any draw down from the facility.

12. Related party transactions

Directors' consultancy fees

Consultancy fees payable to directors and other members of key management during the year was as follows:

	2016 £	2015 £
Edward Guy Meyer	8,500	13,973
Daniel Hodson	13,500	-
Timothy Crowley	67,500	58,982
Total	89,500	72,955

As at 30 June 2016 the amount owed to JJ Distribution Limited was £157,876 (2015: £157,876) where the company was a wholly owned subsidiary undertaking, currently placed into liquidation process.

As at 30 June 2016 the amount owed to Edward Guy Meyer, a director and shareholder of the company, was £nil (2015: £90,000). An arrangement fee of £10,000 was added to the loan, totalling £100,000. The loan was interest free and repayable upon demand. During the year, the company repaid the loan in full.

As at 30 June 2016 included within other receivables is a cash amount of £170,054 (2015: £303,233) held by Timothy Crowley, a then director of the company, in trust for the benefit of the company. Subsequent to the year end, the cash amount was transferred to a newly acquired subsidiary undertaking's bank account, as described in note 6.