

REGISTERED NUMBER 06138814 (England and Wales)

ETAIREIA INVESTMENTS PLC

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2012



ETAIREIA INVESTMENTS PLC

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FOR THE YEAR ENDED 31 MARCH 2012**

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ETAIREIA INVESTMENTS PLC

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2012**

DIRECTORS	G Collier P Shah
REGISTERED OFFICE	2nd Floor Cambridge House Cambridge Road Harlow Essex CM20 2EQ
REGISTERED NUMBER	06138814 (England and Wales)
AUDITORS	Welbeck Associates Chartered Accountants and Statutory Auditors 31 Harley Street London W1G 9QS
REGISTRARS	Share Registrars Ltd Suite E First Floor 9 Lion & Lamb Yard Farnham, Surrey GU9 7LL

ETAIREIA INVESTMENTS PLC

**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012**

I am pleased to be able to make this report to you as Chairman of the Company

Financial Overview

There was a loss from continuing operations for the year of £28,534 (2011 £37,217)

Review of Activities

During the financial year no material events, transactions or developments took place. The losses relate solely to administrative costs incurred whilst the board sought new investment following the restructuring of the Company in the previous year.

During the period there have been some changes to the Board of Directors. Adam Ward stepped down from the Board, and I joined the Board as Executive Director.

Post-Period Events

On the 10th July 2012 the Company announced the completion of a £250,000 fundraise through the issue of zero coupon convertible loan notes.

Following the successful refinancing of the Company Ms Priya Shah was appointed to the Board on 10 July 2012 and Louis Yerolemou resigned on the same day. The refinanced Etaireia has subsequently been evaluating short term opportunities in other quoted companies and longer term investment opportunities in the legal sector.



Greg Collier
Director
17th September 2012

ETAIREIA INVESTMENTS PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2012

The Directors present their report with the financial statements of the Company for the year ended 31 March 2012

PRINCIPAL ACTIVITY

The Company is currently a cash shell

REVIEW OF BUSINESS

The results for the period are as shown in the annexed financial statements. A detailed review of the business and future developments is included in the Chairman's Statement.

The Company is currently a cash shell and the Directors consider that there are no key performance indicators that would be relevant to its current status.

PRINCIPAL RISKS AND UNCERTAINTIES

At present, Etaireia Investments Plc is not trading and is looking for investment opportunities. The Company is dependent upon the support of interested parties and its ability to raise additional finance in order to continue as a going concern.

DIRECTORS

The Directors during the period under review were

A Ward	- resigned 12 May 2011
G Collier	- appointed 12 May 2011
L Yerolemou	

On 10 July 2012, Miss Priya Shah was appointed a director and Mr L Yerolemou resigned as a director.

DIVIDENDS

No dividends will be distributed for the period ended 31 March 2012 (2011 - £Nil).

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. The financial statements are required by law to give a true and fair view of the state of affairs and of the profit or loss for the period.

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 the affairs and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether the financial statements comply with IFRSs as adopted by the European Union, and
- 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 and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ETAIREIA INVESTMENTS PLC

**REPORT OF THE DIRECTORS - continued
FOR THE YEAR ENDED 31 MARCH 2012**

CREDITORS PAYMENT POLICY

It is Company policy that payments to suppliers are made in accordance with all relevant terms and conditions. Creditor days have been calculated at 123 (2011 – 132) days

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each person who was a director at the time this report was approved

- so far as that director was aware there was no relevant available information of which the company's auditors were unaware, and
- that director had taken all steps that the director ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors were aware of that information

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

AUDITORS

Welbeck Associates have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed as auditors to the Company for the ensuing year

ON BEHALF OF THE BOARD



Greg Collier
Director
17th September 2012

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF ETAIREIA INVESTMENTS PLC

We have audited the financial statements of Etaireia Investments Plc for the year ended 31 March 2012 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Equity, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 auditors' 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 Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 (APBs) 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 Chairman's Statement and Report of the Directors 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.

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 31 March 2012 and of the company's loss for the year then ended,
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006, and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
ETAIREIA INVESTMENTS PLC - continued**

Matters on which we are required to report by exception

We have nothing to report in respect of the following

Under the Companies Act 2006 we are required 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 and the part of the Directors' Remuneration Report to be audited 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 Auditors
31 Harley Street
London
W1G 9QS

Date 17th September 2012

ETAIREIA INVESTMENTS PLC

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
CONTINUING OPERATIONS			
Administrative expenses		(28,534)	(37,217)
		<u> </u>	<u> </u>
LOSS FROM OPERATIONS		(28,534)	(37,217)
Finance costs		-	-
		<u> </u>	<u> </u>
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAX		(28,534)	(37,217)
Income tax	5	-	-
		<u> </u>	<u> </u>
ATTRIBUTABLE TO EQUITY HOLDERS		(28,534)	(37,217)
		<u> </u>	<u> </u>
Earnings per share	6		
Basic and diluted earnings per share from total operations		(0 03)p	(0 04)p
		<u> </u>	<u> </u>

ETAIREIA INVESTMENTS PLC – COMPANY NUMBER 06138814

**BALANCE SHEET
AS AT 31 MARCH 2012**

	Notes	2012 £	2011 £
Current assets			
Trade and other receivables	7	4,820	4,218
Cash and cash equivalents	10	2	24
		<u>4,822</u>	<u>4,242</u>
Current liabilities			
Trade and other payables	8	(54,695)	(25,581)
		<u>(49,873)</u>	<u>(21,339)</u>
Net current (liabilities)/assets		<u>(49,873)</u>	<u>(21,339)</u>
NET (LIABILITIES)/ASSETS		<u>(49,873)</u>	<u>(21,339)</u>
Equity			
Issued share capital	9	217,036	217,036
Share premium account		448,491	448,491
Accumulated losses		(715,400)	(686,866)
		<u>(49,873)</u>	<u>(21,339)</u>
SHAREHOLDERS' (LIABILITIES)/FUNDS		<u>(49,873)</u>	<u>(21,339)</u>

The financial statements were approved by the Board of Directors and authorized for issue on 17th September 2012



Greg Collier
Director



Priya Shah
Director

ETAIREIA INVESTMENTS PLC

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
Cash flow from operating activities			
Loss before income tax		(28,534)	(37,217)
Adjusted for			
Finance revenue		-	-
Finance costs		-	-
Impairment provisions		-	-
(Decrease)/increase in trade and other receivables		(602)	887
Increase in trade and other payables		29,114	28,740
Net cash inflow/(outflow) from operating activities		<u>(22)</u>	<u>(7,590)</u>
Cash flows from investing activities			
Finance costs		-	-
Net cash (outflow)/inflow from investing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		(22)	(7,590)
Cash and cash equivalents at 1 April 2011		<u>24</u>	<u>7,614</u>
Cash and cash equivalents at 31 March 2012	10	<u>2</u>	<u>24</u>

ETAIREIA INVESTMENTS PLC

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2012

	Share Capital £	Share premium £	Merger reserve £	Accumulated losses £	Total equity £
At 1 April 2010	212,917	289,360	1,219,167	(1,868,816)	(147,372)
Total recognised income and expense for the period	-	-	-	(37,217)	(37,217)
Issue of shares	4,119	159,131	-	-	163,250
Adjustment on disposal of subsidiary	-	-	(1,219,167)	1,219,167	-
At 31 March 2011	217,036	448,491	-	(686,866)	(21,339)
Total recognised income and expense for the period	-	-	-	(28,534)	(28,534)
At 31 March 2012	217,036	448,491	-	(715,400)	(49,873)

ETAIREIA INVESTMENTS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1 GENERAL INFORMATION

Etairaia Investments Plc is a public limited company incorporated in the United Kingdom under the Companies Act 1985 (Registration Number 06138814). The address of the registered office is given on page 1.

As disclosed in the Report of the Directors, the Company is currently a cash shell.

GOING CONCERN

Following the issue of £250,000 convertible loan notes on 10 July 2012, as detailed in note 12, the directors consider that they have sufficient financial resources, at the time of approving the financial statements, to enable the Company to continue in existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

STATEMENT OF COMPLIANCE

The financial statements comply with International Financial Reporting Standards as adopted by the European Union. At the date of authorisation of these financial statements, the following Standards and Interpretations affecting the Company, which have not been applied in these financial statements, were in issue, but not yet effective (and in some cases had not been adopted by the EU).

		Effective for accounting periods beginning on or after
IFRS 7 (amended)	Financial Instruments Disclosures - Risk exposures relating to the transfers of Financial Assets and netting arrangements	1 July 2011
IFRS 9	Financial Instruments – Classification and measurement of financial assets and liabilities	1 January 2013
IFRS 10	Consolidated Financial Statements – Identification of the concept of control of an entity and the requirement to include in consolidated accounts	1 January 2013
IFRS 11	Joint Arrangements	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities	1 January 2013
IFRS 13	Fair Value Measurement	1 January 2013
IAS 1 (amended)	Presentation of Items of Other Comprehensive Income	1 July 2012
IAS 12 (amended)	Deferred Tax Recovery of Underlying Assets	1 January 2012
IAS 19 (revised)	Employee Benefits	1 January 2013
IAS 27 (revised)	Separate Financial Statements	1 January 2013
IAS 28 (revised)	Investments in Associates and Joint Ventures	1 January 2013
IAS 32 (amended)	Financial Instruments Presentation	1 January 2014

The Directors anticipate that the adoption of them in future periods will have little or no impact on the financial statements of the Company when the relevant Standards come into effect for periods commencing on or after 1 April 2012.

2 ACCOUNTING POLICIES

(a) Basis of preparation of the financial statements

The financial statements have been prepared in accordance with International Financial Reporting Standards including standards and interpretations as issued by the International Accounting Standards Board and adopted by the EU, and have been prepared using the historical cost convention unless as otherwise stated below. The financial statements are prepared in Pounds Sterling, which is the functional currency of Etaireia Investments Plc, rounded to the nearest pound.

The comparative figures for 2011 have been restated to exclude the results of the Company's sole subsidiary for the period prior to the appointment of a liquidator in August 2010. Since then the Company has operated as a single entity and these accounts have been prepared on this basis.

(b) Financial assets

The Group classifies its financial assets as loans and receivables which are initially measured at fair value, plus transaction costs. Loans and receivables, which include trade and other receivables, loans and cash at bank, are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade receivables) and also incorporate other types of contractual monetary assets. The Group considers that there are no significant differences between the historical value and fair value of its financial assets.

(c) Cash and cash equivalents

Cash and cash equivalents comprise current and deposit account bank balances which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. This definition is also used for the cash flow statement.

(d) Financial liabilities

The Group classifies its financial liabilities as other financial liabilities. Other financial liabilities, which include trade and other payables, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

ETAIREIA INVESTMENTS PLC

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012**

2 ACCOUNTING POLICIES - continued

(e) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

(ii) Deferred tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interest in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

ETAIREIA INVESTMENTS PLC

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012**

2 ACCOUNTING POLICIES - continued

(iii) Current and deferred tax for the period

Current and deferred tax are recognized as an expense or income in the income statement, except when they relate to items credited or debited directly to equity, in which case tax is also recognized directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or in determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

(f) Equity instruments

Equity instruments issued by the company are recorded at the proceeds received net of direct costs of issue.

(g) Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest. At each balance sheet date, the Group revises its estimate of the number of equity instruments expected to vest (no revision is considered necessary for the current period). The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to the profit and loss reserve. Equity-settled share-based payment transactions with other parties are measured at the fair value of the goods or services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. There are no non-market vesting conditions.

(h) Accounting estimates and judgements

The Company makes estimates and judgements concerning the future and the resulting estimates may, by definition, vary from the related actual results. The Directors consider that there are no critical accounting estimates or judgements used in these financial statements that might materially affect these accounts.

ETAIREIA INVESTMENTS PLC

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

3 EMPLOYEES AND DIRECTORS

	2012 £	2011 £
Staff costs	8,000	-
	<hr/>	<hr/>
	2012 £	2011 £
Directors' remuneration	8,000	-
	<hr/>	<hr/>
	2012	2011
The average monthly number of employees was as follows		
Directors and employees	2	1
	<hr/>	<hr/>

4. SEGMENT REVENUES AND RESULTS

The Company is currently a cash shell and has no business operations, so no segmental analysis is disclosed

The operating loss is stated after charging

	2012 £	2011 £
Auditors remuneration		
- fees payable to the Company's auditors for the audit of the Company's annual accounts	7,500	6,600
	<hr/>	<hr/>

ETAIREIA INVESTMENTS PLC

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012**

5. INCOME TAXATION

	2012 £	2011 £
Tax expense comprises		
Current tax	-	-
	<u> </u>	<u> </u>
Loss from continuing operations	(28,534)	(46,417)
	<u> </u>	<u> </u>
Income tax expense calculated at 20% (2011 – 21%)	(5,707)	(9,748)
Effect of expenses that are not deductible in determining taxable profit	-	-
Effect of unused tax losses and tax offsets	5,707	9,748
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

The total amount of unused tax losses for which no deferred tax asset is recognised in the balance sheet is £413,853 (2011 - £385,319). This asset has not been recognised on the basis that it will only be recoverable when sufficient profits have accrued and this is not expected to happen for the foreseeable future.

6 EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the profit or loss for the financial period attributable to shareholders by the weighted average number of shares in issue.

	2012 £	2011 £
Profit/(Loss) attributable to owners of the Company	(28,534)	(37,217)
	<u> </u>	<u> </u>
	Number	Number
Weighted average number of ordinary shares for calculating basic and diluted earnings per share	85,166,666	85,166,666
	<u> </u>	<u> </u>
	Pence	Pence
Basic and diluted earnings per share	(0.03)p	(0.04)p
	<u> </u>	<u> </u>

ETAIREIA INVESTMENTS PLC

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

7 TRADE AND OTHER RECEIVABLES

	2012 £	2011 £
Other receivables	-	-
Prepayments	4,820	4,218
	<u>4,820</u>	<u>4,218</u>

8 TRADE AND OTHER PAYABLES

	2012 £	2011 £
Trade payables	24,198	13,581
Other taxes and social security	-	-
Other payables	20,497	3,200
Accruals	10,000	8,800
	<u>54,695</u>	<u>25,581</u>

At the year end, the carrying amounts of the Company's trade and other payables were denominated in Pounds Sterling

ETAIREIA INVESTMENTS PLC

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

9 CALLED UP SHARE CAPITAL

	2012 £	2011 £
Issued and fully paid		
126,360,784 ordinary shares of 0.01p each	12,636	12,636
85,166,666 deferred ordinary shares of 0.24p each	204,400	204,400
	<u>217,036</u>	<u>217,036</u>

The restricted rights attaching to the deferred shares are such that the deferred shares have no economic value

10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of balances with banks and comprise the following balance sheet amounts

	2012 £	2011 £
Cash and cash equivalents	2	24

The Company's cash and cash equivalents are all held at institutions rated by international credit agencies as at least A+ or equivalent. All cash and cash equivalents are stated at fair value.

11 RELATED PARTY TRANSACTIONS

Key management compensation is disclosed in Note 2

An amount of £7,000 which was invoiced to the Company by Midstone Consulting Ltd in respect of the services of Mr Louis Yerolemou has been included in directors' remuneration. This amount was outstanding at the year end.

During the year a shareholder in the Company, Dance LLC, settled amounts owed by the Company totalling £15,537. This amount was outstanding at the year end. In addition Dance LLC participated in the fund raise on 10 July 2012 (see note 12).

ETAIREIA INVESTMENTS PLC

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

12 POST BALANCE SHEET EVENTS

On 10 July 2012 the Company announced that it had completed a fundraise of £250,000 through the placing of zero coupon, convertible loan notes ("Loan Notes") with existing investors. The Loan Notes are unsecured and convertible at a price of 0.1 pence per share, exercisable at any time up to 10 July 2015.

The following investors subscribed for the Loan Notes

Subscriber	Subscription amount	Number of ordinary shares assuming full conversion at 0.1 p per share
Mayfair International FCZ	£50,000	50,000,000
Alexander Varghese	£50,000	50,000,000
Manilva Investments Ltd	£50,000	50,000,000
Ashwillow Ltd	£50,000	50,000,000
Dance LLC	£50,000	50,000,000

13 FINANCIAL INSTRUMENTS

(a) Financial instruments by category

	2012 £	2011 £
Financial assets		
Loans and receivables		
Cash and cash equivalents	2	24
	<u>2</u>	<u>24</u>
Financial liabilities at amortised cost		
Trade and other payables, excluding statutory liabilities	44,695	16,781
	<u>44,695</u>	<u>16,781</u>

(b) Liquidity risk

The Company currently has no obligations or commitments associated with its financial instruments. The directors regularly review both short and medium term cash flow projections in order to manage the Company's cash flow.

(c) Capital risk

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. The directors regularly review both short and medium term forecasts to achieve this.