

Company Registration No: C 70546

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**Steward Malta Ltd**

**Annual Report and Financial Statements**

31 December 2015

# Steward Malta Ltd

Company Reg. No.

C - 70546

## Annual Report and Financial Statements for the period ending 31 December 2015

TABLE OF CONTENTS	Pages
Company information	1
Directors' report and statement of Directors' responsibilities	2 - 3
Independent auditor's report	4 - 5
Income statement and Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flow	9
Notes to the financial statements	10 - 19

## **COMPANY INFORMATION**

### **Company name**

Steward Malta Ltd (changed from Vitals Global Healthcare Ltd - effective date 18 May 2018)

### **Date of Company Registration**

13 May 2015

### **Registered Office**

Floor 5, 115A, Msida Valley Road, Birkirkara

### **Directors**

Dr Armin Ernst (appointed on 16 February 2018)  
Mr Michael Callum (appointed on 16 February 2018)  
Mr Sri Ram Tumulun (resigned on 16 February 2018)  
Mr Mark Edward Pawley (resigned on 16 February 2018)

### **Company Secretary**

Dr Armin Ernst (appointed on 16 February 2018)  
Mr Sri Ram Tumuluri (appointed on 14 November 2016 and resigned on 16 February 2018)  
Mr Jonathan Vella (resigned on 14 November 2016)

### **Legal Representatives**

Dr Armin Ernst (appointed on 16 February 2018)  
Mr Michael Callum (appointed on 16 February 2018)  
Mr Sri Ram Tumulun (resigned on 16 February 2018)  
Mr Mark Edward Pawley (resigned on 16 February 2018)

### **Judicial Representatives**

Dr Armin Ernst (appointed on 16 February 2018)  
Mr Michael Callum (appointed on 16 February 2018)  
Mr Sri Ram Tumulun (resigned on 16 February 2018)  
Mr Mark Edward Pawley (resigned on 16 February 2018)

### **Auditor**

Mr Christopher Spiteri B A (Hons) Accty, F I A , C P A

The directors present their Annual Report and Financial Statements which are in conformity with the Maltese Companies Act, 1995 and are prepared using International Financial Reporting Standards as adopted by the EU

## **Directors' Report and Statement of Directors' Responsibilities**

The directors present their report and the audited financial statements of the company for the period ended 31 December 2015

The company was registered on 13 May 2015. Consequently these financial statements cover the period from date of registration to 31 December 2015

### **Principal activity**

The principal activity of the company consists of a holding company

### **Review of the business**

During the period under review the company did not have any turnover while its total expenses amounted to Eur 5,675. Consequently the company made a net loss for the financial period before charging taxation amounting to Eur 5,675.

### **Results and dividends**

The results for the period are set out in the income statement on page 6. The directors do not recommend the payment of a dividend

### **Future Developments**

On 30 November 2015 the Company, together with its subsidiary companies, signed a services concession agreement with the Government of the Republic of Malta for the redevelopment, maintenance, management and operation of the sites at St Luke's Hospital, Karin Grech Rehabilitation Hospital and Gozo General Hospital. The effective date of the services concession agreement was 1 June 2016

### **Directors**

The directors of the company during the financial period were

Dr Armin Ernst (appointed on 16 February 2018)  
Mr Michael Callum (appointed on 16 February 2018)  
Mr. Sri Ram Tumuluri (resigned on 16 February 2018)  
Mr Mark Edward Pawley (resigned on 16 February 2018)

In accordance with the company's Articles of Association, the present directors remain in office

### **Statement of directors' responsibilities**

The directors are required by the Maltese Companies Act, 1995 to prepare financial statements which give a true and fair view of the state of affairs of the Company as at the end of each reporting period and of the profit or loss for that period

In preparing the financial statements, the directors are responsible for

- ensuring that the financial statements have been drawn up in accordance with International Financial Reporting Standards as adopted by the EU;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances, and
- ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Company will continue in business as a going concern

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**Directors' Report and Statement of Directors' Responsibilities***/continued*

The directors are also responsible for designing, implementing and maintaining 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, and that comply with the Maltese Companies Act, 1995. 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.

**Going Concern**

At the time of approving the financial statements, the Board of Directors determined that there is reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future. For this reason, the Board of Directors has adopted the going concern basis in preparing the financial statements.

**Events after reporting period**

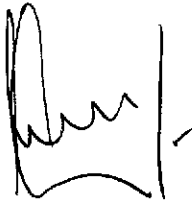
There were no particular important events or transactions affecting the company that have occurred since the end of the accounting period, which, though properly excluded from the financial statements, are of such importance that they should have been disclosed in the notes to the financial statements.

**Capital Commitments**

As at period end, the Company did not have any capital commitments.

**Auditor**

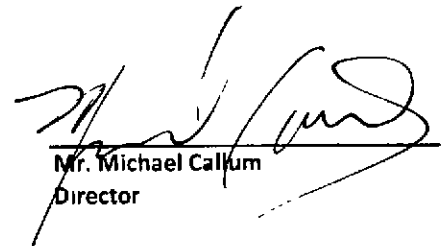
The auditor, Mr Christopher Spiteri B.A. (Hons) Accty, F I A., C.P.A., expressed his willingness to remain in office. A resolution for the auditor's re-appointment will be proposed at the next annual general meeting.



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**Dr. Armin Ernst**  
Director

*By order of the board dated  
31 May 2018*



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**Mr. Michael Callum**  
Director

**Registered Office**  
Floor 5, 115A, Msida Valley Road, Birkirkara.

**INDEPENDENT AUDITOR'S REPORT**  
**To the members of Steward Malta Ltd**  
**For the period ending 31 December 2015**

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I have audited the accompanying financial statements of Steward Malta Ltd, which comprise the statement of financial position as at 31 December 2015, and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flow for the period then ended, and a summary of significant accounting policies and other explanatory notes

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the EU and the requirements of the Maltese Companies Act, 1995. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

**Auditor's responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the financial statements give a true and fair view of the financial position of Steward Malta Ltd as of 31 December 2015, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards as adopted by the EU and have been properly prepared in accordance with the requirements of the Maltese Companies Act, 1995.

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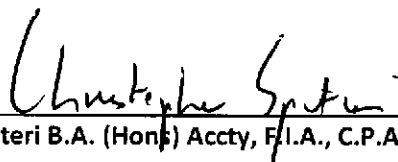
**Report on other Legal and regulatory Requirements**

I also have responsibilities under the Maltese Companies Act, 1995 to report to you if, in my opinion

- The information given in the directors' report is not consistent with the financial statements.
- Adequate accounting records have not been kept or that returns have not been received from branches not visited by me
- The financial statements are not in agreement with the accounting records.
- I have not received all the information and explanations I require for my audit.
- If certain disclosures of the directors' remuneration specified by law are not made in the financial statements, giving the required particulars in my report

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

*This copy of the audit report has been signed  
on behalf of the audit practice by*



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**Mr. Christopher Spiteri B.A. (Hons) Accty, F.I.A., C.P.A.**  
Registered Auditor

**31 May 2018**

"Crossbow House", 78,  
Cospicua Road,  
Paola - PLA1902  
Tel 21488239/21493759  
Fax 21499573  
E-mail [chris\\_spiteri@melita.com](mailto:chris_spiteri@melita.com)

### Income Statement

	Notes	2015 (€)
Administrative expenses		(5,645)
Finance costs		(30)
		<hr/>
<b>Loss for the period before tax</b>		<b>(5,675)</b>
Income tax charge	5	-
		<hr/>
<b>Loss for the financial period</b>		<b>(5,675)</b>
		<hr/>

### Statement of Comprehensive Income

	2015 (€)
Loss for the financial period	(5,675)
	<hr/>
Other comprehensive income/(loss)	-
	<hr/>
<b>Total comprehensive loss for the period</b>	<b>(5,675)</b>
	<hr/>
<b>Earnings per share</b>	<b>(4.73)</b>
	<hr/>

The accounting policies and explanatory notes on pages 10 to 19 are an integral part of these financial statements.



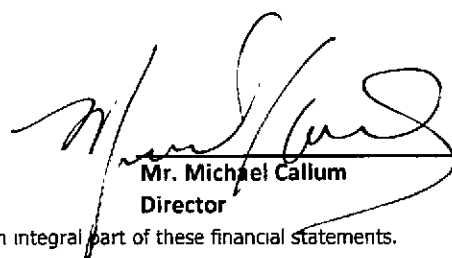
**Statement of financial position**

	Notes	2015 (€)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment in subsidiaries	7	-
<b>Total non-current assets</b>		-
<b>Current assets</b>		
Cash and cash equivalents	8	500,170
<b>Total current assets</b>		500,170
<b>TOTAL ASSETS</b>		<b>500,170</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Called up issued share capital	10	1,200
Accumulated losses		(5,675)
<b>Total equity and reserves</b>		<b>(4,475)</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	11	504,645
<b>Total current liabilities</b>		504,645
<b>TOTAL LIABILITIES</b>		504,645
<b>TOTAL EQUITY, RESERVES AND LIABILITIES</b>		<b>500,170</b>

The financial statements on pages 6 to 19 were approved and authorised for issue by order of the board dated 31 May 2018



Dr. Armin Ernst  
Director



Mr. Michael Callum  
Director

The accounting policies and explanatory notes on pages 10 to 19 are an integral part of these financial statements.

**Statement of changes in equity**

		Share capital (€)	Accumulated losses (€)	Total (€)
<b>2015</b>				
Opening balance		-	-	-
Issue of share capital		1,200	-	1,200
Loss for the period		-	(5,675)	(5,675)
		<hr/>	<hr/>	<hr/>
<b>Balance as at</b>	<b>31 December 2015</b>	<b>1,200</b>	<b>(5,675)</b>	<b>(4,475)</b>
		<hr/>	<hr/>	<hr/>

The accounting policies and explanatory notes on pages 10 to 19 are an integral part of these financial statements

**Statement of cash flow**

	Notes	2015 (€)
<b>Cash flow from operating activities</b>		
Cash generated from operations	9	501,400
Income tax paid		-
		<hr/>
Net cash inflow from operating activities		501,400
		<hr/>
<b>Cash flows used in investing activities</b>		
Purchase of financial assets		(2,400)
Finance costs		(30)
		<hr/>
Net cash outflow from investing activities		(2,430)
		<hr/>
<b>Cash flows generated from financing activities</b>		
Injection of ordinary share capital in the company		1,200
		<hr/>
Net cash inflow from financing activities		1,200
		<hr/>
<b>Movement in cash and cash equivalents</b>		
Cash and cash equivalents at beginning of the period		500,170
		-
		<hr/>
<b>Cash and cash equivalents at end of the period</b>	<b>8</b>	<b>500,170</b>
		<hr/>

The accounting policies and explanatory notes on pages 10 to 19 are an integral part of these financial statements.

**Notes to the financial statements**

**1 Statutory information**

This Company is registered, domiciled and incorporated in Malta, and its registered address is Floor 5, 115A, Msida Valley Road, Birkirkara.

**2 Basis of preparation**

**2.1 Statement of Compliance**

These financial statements have been prepared under the historical cost convention and in accordance with International Financial Reporting Standards as adopted by the EU and the Companies Act, 1995

Consolidated financial statements have not been drawn up since the company has taken advantage of the exemption from doing so conferred on it by article 173 of the Companies Act (Cap 386). Accordingly, these separate financial statements present information about the company as an individual undertaking and not about its group.

**2.2 Changes in accounting policies and disclosures**

**Standards, interpretations and amendments to published standards effective in 2015**

The Company has adopted the following new and amended IFRS and IFRIC interpretations during the period. Adoption of these revised standards and interpretations did not have any effect on the financial performance or position of the Company.

IFRS 9	Financial Instruments - This Standard relates to the classification and measurement of financial assets and financial liabilities. This includes requirements on embedded derivatives and how to account for own credit risks for financial assets and financial liabilities that are measured at fair value.
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**Standards, Interpretations and amendments to published standards that are not yet effective**

Up to date of approval of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective for the current reporting period and which the Company has not adopted early. The directors anticipate that the adoption of International Financial Reporting Standards, that were in issue at the date of authorisation of these financial statements, but not yet effective, will have no material impact on the financial statements of the company in the period of initial application. The following list excludes International Financial Reporting Standards that are already in issue and that are expected not to be applicable.

IFRIC 21	Levies - sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what the obligating event is that gives rise to pay a levy and when should a liability be recognised. The Company is not currently subjected to significant levies so the impact on the Company is not material.
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## Notes to the financial statements

### 2.3 Basis of Measurement

The financial statements have been prepared under the historical cost convention, as modified by the fair valuation of the non-current asset categories of property, plant and equipment and investment property and except as disclosed in the accounting policies below (Note 3). These accounting policies have been applied consistently to all periods presented in these financial statements

### 2.4 Foreign currency translation

#### (a) Functional currency

Amounts disclosed in the financial statements are presented using the currency denoted in the company's Memorandum of Association, which is the Euro (€).

#### (b) Transactions and balances

Foreign currency transactions are translated into Euros (€) using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in the carrying amount are recognised in equity.

### 2.5 Critical accounting estimates and judgements

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.

### 2.6 Financial risk factors

The company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The company's overall risk management programme focuses on the unpredictability of market conditions and therefore seeks to minimise potential adverse effects on the company's financial performance. Risk management is carried out by the board of directors. The board evaluates, on a periodical basis, financial risk factors based on appropriate skills, experience and supervision

#### Market risk

Market risk is the risk that the fair value of future cash flows will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk, such as equity risk. The company's policy is designed to minimise such risks by implementing the necessary safeguards to counter market risks.

#### Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks, as well as credit exposures to customers, including outstanding receivables and committed transactions. For banks only independently rated parties are accepted. Risk control assesses the credit quality of customers, taking into account its financial position, past experience and other factors. The utilisation of credit limits is regularly monitored. No credit limits were exceeded during the period and management does not expect any losses from non-performance by these counterparties

## Notes to the financial statements

### Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The company maintains flexibility in funding by maintaining availability under committed credit lines. The company monitors its liquidity on the basis of expected cash flow. This entails projecting cash flows and considering the level of liquid assets necessary to meet the company's obligations as they fall due.

### Capital risk management

The company's objectives when managing capital are to safeguard its ability to continue to operate as a going concern in order to provide returns for the shareholders and to maintain an optimal 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 the shareholders, issue new shares or sell assets to reduce debt. The company monitors capital on the basis of its gearing ratio.

### Fair value estimation

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The company uses a variety of methods and makes assumptions that are based on market conditions existing at the balance sheet date. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values.

## 3 Significant accounting policies

### 3.1 Financial Assets

#### Classification

The company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

#### *-Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within twelve months from statement of financial position date.

#### Recognition and Measurement

Regular purchases and sales of financial assets are recognised on the trade-date, being the date on which the company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement in the period in which they arise. Dividend income from financial assets at fair value through profit or loss, if any, is recognised in the income statement when the company's right to receive payments is established.

## Notes to the financial statements

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognised in profit or loss, translation differences on non-monetary securities are recognised in other comprehensive income. Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'gains and losses from investment securities'

### 3.2 Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either

- (a) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);
- (b) hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge), or
- (c) hedges of a net investment in a foreign operation (net investment hedge)

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

### 3.3 Impairment of assets

The company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred 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. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, 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 carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Company may measure impairment on the basis of an instrument's fair value using an observable market price.

## Notes to the financial statements

### (a) Assets carried at amortised cost

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 (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement

### (b) Assets classified as available-for-sale

The company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the group uses the criteria referred to in (a) above. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the income statement.

### **3.4 Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, deposits held at call with banks, any short term liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of change in value, and overdrawn bank balances. Overdrawn bank balances are shown in current liabilities on the statement of financial position.

### **3.5 Financial Instruments**

Financial assets and financial liabilities are recognised when the company has become party to the contractual provisions of the instrument.

### **3.6 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### **3.7 Trade payables**

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### **3.8 Provisions**

Provisions for restructuring costs and legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

### **3.9 Current and deferred income tax**

The tax expense comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity.

The current income tax charge is calculated on the basis of the tax law enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.



**Notes to the financial statements**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using the current rate of corporate taxation at the balance sheet date and which is expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

**3.10 Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to issue of ordinary shares are recognised as a deduction from equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

**3.11 Finance costs**

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions and impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method.

**3.12 Subsidiaries**

Subsidiaries are all entities over which the company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the company controls another entity.

Subsidiaries are accounted for by the cost method of accounting. Provisions are made when, in the opinion of management, there has been a long term impairment in value. Where there has been a permanent diminution in the value of an investment in subsidiaries, this is recognised as an expense and charged to the income statement in the period during which the diminution is identified.

The results of subsidiary undertakings are recognised in these financial statements only to the extent of dividends receivable. On disposal of an investment in a subsidiary, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement.

**3.13 Associates**

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. As there are no published price quotations available for the Company's associates, the Company has elected to account for investments in associates at cost less any accumulated impairment losses.

**3.14 Earnings per share**

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding at the end of the period.

**Notes to the financial statements**

**4 Expenses by nature**

	2015 (€)
Auditors' remuneration	2,000
Increase in provision for diminution in value of investments	2,400
Finance costs	30
Other expenses	1,245
	<hr/>
Total expenses	5,675
	<hr/>

**5 Income tax charge**

	2015 (€)
<b>Tax charge for the period :</b>	
Tax @ 35%	-
	<hr/>
<b>Current taxation</b>	-
	<hr/>
<b>Deferred taxation</b>	-
	<hr/>
<b>Income tax charge</b>	-
	<hr/>

No provision for Malta income tax has been made in these financial statements in view of the tax losses incurred by the company

The tax on the company's loss for the period before tax differs from the theoretical amount that would arise using the rate applicable to losses as follows

	2015 (€)
<b>Loss for the period before tax</b>	(5,675)
	<hr/>
Tax calculated at the current rate of tax - 35%	(1,986)
Tax effects of: - non-deductable expenses	1,986
	<hr/>
<b>Income tax charge</b>	-
	<hr/>

**6 Deferred taxation**

No deferred taxation arises during the period under review

**Notes to the financial statements**

**7 Investment in subsidiaries**

	<b>2015</b>
	(€)
Additions	2,400
Provision for diminution in value of investments	(2,400)
	<hr/>
	-
	<hr/>

The subsidiary companies at 31 December 2015 were as follows

Subsidiary companies	Registered office	Class of shares	% Held
Steward Malta Assets Ltd (name changed from Vitals Global Healthcare Assets Ltd - effective date 18 May 2018)	Floor 5, 115A, Msida Valley Road, Birkirkara	Ordinary	100%
Steward Malta Management Ltd (name changed from Vitals Global Healthcare Management Ltd - effective date 18 May 2018)	Floor 5, 115A, Msida Valley Road, Birkirkara	Ordinary	100%

**8 Cash and cash equivalents**

For the purpose of the statement of cash flows, the period end cash and cash equivalents comprised

	<b>2015</b>
	(€)
Cash at bank	500,170
	<hr/>
	500,170
	<hr/>

**9 Cash generated from operations**

	<b>2015</b>
	(€)
Loss before taxation for the period	(5,675)
<u>Adjustments for:</u>	
Increase in provision for diminution in value of investments	2,400
Finance costs	30
<u>Changes in working capital</u>	
Trade and other payables	504,645
	<hr/>
Cash generated from operations	501,400
	<hr/>

**Notes to the financial statements**

**10 Ordinary share capital**

	<b>2015</b>
	<b>(€)</b>
<b>Authorised share capital</b>	
1,200 ordinary shares of €1 each	<b>1,200</b>
	<hr/>
<b>Issued and paid up share capital</b>	
1,200 ordinary shares of €1 each, 100% paid up	<b>1,200</b>
	<hr/>

Each ordinary share gives the right to one vote, participates equally in profits distributed by the company and carries equal rights upon the distribution of assets by the company in the event of a winding up.

**11 Trade and other payables**

	Note	<b>2015</b>
		<b>(€)</b>
Related company payables	13	<b>502,226</b>
Accruals		<b>2,419</b>
		<hr/>
		<b>504,645</b>
		<hr/>

**12 Ultimate Controlling Party**

As from the date of registration the company was controlled by Bluestone Investments Malta Ltd, which owned 100% of the issued share capital. By virtue of a share transfer dated 16 February 2018 the Company is currently controlled by Steward Healthcare International Ltd, which owns 95% of the issued share capital

## Notes to the financial statements

**13 Related party transactions**

The following transactions were carried out with related parties:

**a. Sales of goods and services**

	2015 (€)
Parent company	-
Subsidiary companies	-
	<hr/>

**b. Purchases of goods and services**

	2015 (€)
Parent company	-
Subsidiary companies	-
	<hr/>

**c. Period end balances**

<i>Payables to related parties</i>	Note	2015 (€)
Parent company	11	502,226
Subsidiary companies		-
		<hr/>

The payables to related parties arise mainly from financing of expenses and are unsecured, interest free and have no fixed date of repayment.

**14 Events after the balance sheet date**

There have been no events since the balance sheet date which materially affect the position of the company