

Company Registration No. 009753V (Isle of Man)

LONDON NUSANTARA PLANTATIONS PLC
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

LONDON NUSANTARA PLANTATIONS PLC

COMPANY INFORMATION

Directors

M Subramaniam	(Chief Executive Officer)
H Bin Abdul Jalil	(Non-executive Director)
S Rothschild	(Non-executive Director)

Secretary Cavendish Secretaries Limited

Company number 009753V (Isle of Man)

Registered office

34 North Quay
Douglas
Isle of Man
IM1 4LB

Auditors

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London
E1W 1YW

Bankers

AmInvestment Bank Group
55 Jalan Raja Chulan
Kuala Lumpur
Malaysia
50200

Corporate advisor

Peterhouse Corporate Finance Limited
3rd Floor
New Liverpool House
15 Eldon Street
London
EC2M 7LD

Registrars

Computershare Investor Service (IOM) Limited
Millennium House
46 Athol Street
Douglas
Isle of Man
IM1 1JB

LONDON NUSANTARA PLANTATIONS PLC

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LONDON NUSANTARA PLANTATIONS PLC

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

I am pleased to present the Company's audited financial results for the year ended 31 December 2015. With no operating business the company made a pre-tax loss for the year of £165,706 (2014: £168,065). Cash at bank at the end of December 2015 was £191,097 (2014: £372,476). During the year, the Company completed an investment of £111,772 in 404 hectares of land suitable for oil palm, as reported in our year end 2014 financial statement. Our net assets stood at £292,067 (2014: 447,773).

The Company to date remains as an ISDX Growth Market investment vehicle seeking to identify and secure potential acquisition opportunities within the agriculture sector, primarily in oil palm plantations and also vacant land suitable for oil palm cultivation.

Principal Activities and Review of the Business

The principal activity of the Company is to invest in companies, or assets, in the agriculture sector primarily in oil palm plantations and/or vacant land suitable for oil palm cultivation. The Company has continued in this activity since listing on ISDX in June 2014.

We are pleased to report that, the two parcels of land (404 hectares), via our investment in Next Oasis Sdn. Bhd. is currently in the final stages of being cleared and planted with young oil palm trees. Our joint venture partner, Fima Corporation Berhad has intimated that the planting is targeted to be completed by the middle of 2016.

The year 2015 has been a difficult one domestically and globally with the drop in crude oil, slowdown of the Chinese economy and Yuan devaluation and other commodity prices, including palm oil. Palm oil prices dipped to a 6½-year low of RM1,860, (approximately GBP320). During the year we have been actively involved in negotiations with a number of estate owners, but faced difficulty in raising conventional debt and equity to finance our acquisitions. However, on a more positive note, there has been a marked increase of oil palm estates up for sale at relatively lower prices, approximately 20%-30% lower than the boom years, giving rise to mergers & acquisitions opportunities. We plan to take advantage of this window to acquire an income generating oil palm estate in 2016. We also intend to capitalise on the joint venture business model as it allows us to tap into the experience of more established players, possibly working together to raise conventional bank loans to finance acquisitions.

Our plan is to embark on an aggressive fund raising exercise in 2016 in conjunction with a potential acquisition of a mature oil palm estate.

Financial Review

The audited results for the year show a loss of £165,706. The Company's primary expenses are largely to maintain its listing status and other expenses related to business development incurred in identifying potential investment targets and fund raising expenses. In addition to the above, the company incurred a foreign exchange loss of £44,955 due to the severe depreciation of the Ringgit vs. other major currencies, namely, against the Dollar and British Sterling. Despite this we also recorded a revenue of GBP8,651 from interest received from our treasury fund placements.

The Directors consider the results for the year to be satisfactory despite the adverse conditions faced during 2015.

The directors do not recommend the payment of a dividend for the year ended 31 December 2015.

LONDON NUSANTARA PLANTATIONS PLC

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

Industry Outlook 2016

As anticipated, 2015 saw palm oil prices plummeting to historic lows while the rest of the commodities in Malaysia merely stayed afloat. Palm oil, like many major commodities in the world, was affected by sluggish demand due to slow growth in global economy, high-stockpile, currency fluctuation and geopolitical issues. The palm oil market was further mired in a downturn cycle as the benchmark Malaysian palm oil prices slumped to a 6½-year low at RM1,860, (approximately GBP320) in mid-August 2015. This was mainly due to China intervening in currency markets and devaluing the Yuan by nearly 2 per cent resulting in a shockwave in the foreign exchange, capital and commodity markets.

However, concerns on the potential dent to production and hence supply from the effects of drought in South East Asia due the strengthening of El Nino weather phenomenon, weak Ringgit and India's record demand, the benchmark for November 2015 contract on the Bursa Malaysia Derivatives Exchange rebounded to RM2,050 (approximately GBP353). The rebound was also supported by the Malaysian government announcement of an incentive payment scheme for the early replanting of old oil palm trees and a statement reinforcing of both Malaysia and Indonesia's commitment to their respective biodiesel mandate, helped to stabilise prices which ended the year at RM2,200 (approximately GBP379).

2015 Review

2015 was indeed a challenging year for oil palm as prices fluctuated violently especially in the third quarter, as apart from the weak fundamentals of sluggish demand due to slow growth in global economy, high-stockpile and currency fluctuation, China's intervention in the currency market not only affected the foreign exchange and capital markets but also put a dampener on the commodity market as well. The Malaysian crude palm oil ("CPO") prices did not surpass RM2,302 (approximately GBP397) per tonne whilst recoding an average monthly low of RM1,975 (approximately GBP340) in August 2015. The year averaged at RM2,172 (approximately GBP374) compared to RM2,382 (approximately GBP410) in 2014.

The supply perspective showed a marginal increment at 19.96 million tonnes of CPO production as compared to the 2014 production of 19.66 million tonnes of CPO. The demand side also showed a marginal increase from the previous year's performance with India maintaining its position as the largest destination of Malaysian palm oil exports.

Among the major key developments that took place in the industry during the year was the establishment of the Council of Palm Oil Producing Countries by Malaysia and Indonesia. Both countries announced their commitments to sustainable palm oil practices, ensuring price stability in palm oil prices, harmonizing stock management, improving competitiveness as well as creating demand for biodiesel mandates.

To ensure consumption is sustained the Malaysian B7 Biodiesel mandate, a blend of 7% palm oil (palm methyl and ester) and 93% diesel aimed at meeting Malaysia's obligations in reducing greenhouse gas carbon emissions as well as stabilizing palm oil prices by creating greater internal demand, is to be fully implemented as a mechanism to manage the palm oil stock. Similarly, the Indonesian B15 biodiesel mandate is expected to boost local palm oil consumption. Both countries are committed to enhance their respective biodiesel mandate to B10 and B20 respectively.

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CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

Analysts are in agreement that the palm oil sector for 2016 will be greatly influenced by the vagaries of the El Nino weather phenomenon, the full impact of which is still not apparent. Malaysian palm oil production is estimated at 20 million tonnes for 2016. However, with a full blown El Nino, analysts predict it would negatively impact production by approximately 5%. Conversely, stock is expected to go below the 2.0 million tonnes level.

Indonesia is also expected to show a similar trend with production maintaining the 2015 level of approximately 34.0 million tonnes for 2016. On the demand side, the world's population is expected to grow by 100 million in 2016 to 7.42 billion. Of this, 30% of the population is between the age group of 15 to 50 years old and will form the main demand drivers. The World Economic Outlook predicted an economic growth of 3.4% up from the forecasted 3.1% for 2015. India is expected to maintain its position as the biggest destination whilst continuous and growing demand from Japan, South Korea and Philippines will prop up prices.

Meanwhile palm oil is becoming a major force in Central America and Eastern Europe. China, although, is expected to have a higher carryover stock, would see an increase in imports due to demands from its food industry.

Palm oil prices in Q1-2016 saw a welcomed spike to RM2,600 (approximately GBP456) from RM2,300 (approximately GBP403) in January only to recede to the current level of RM2,450 (approximately GBP429) on account of weakening crude oil prices. For 2016, analysts have forecasted a wider range of price mobility of between RM2,300 (approximately GBP403) to RM3,200 (approximately GBP561) averaging at RM2,500 - 2,600 (approximately GBP438 – GBP456) per tonne CPO.

China's rebalancing of its economic activity away from investments and manufacturing to consumption and services will have an impact on global market if the transition is slow. A further drop in the energy market would also put a strain on other commodity producers. Further US Dollar appreciation and geopolitical shocks would also put a dampener on a pick-up on economic activities.

While crude has come off near six-year lows hit in January, prices are still down about 50% from highs reached in June 2014. The anticipated increase in biodiesel would help garner a more supportive outlook as it may translate to more stocks being blended into biofuel.

Therefore it's predicted the CPO price outlook for January 2016 is expected to average RM2,500 (approximately GBP438) per tonne compared with RM2,380 (approximately GBP417) per tonne in 2015. CPO prices can be traded within a low of RM2,200 (approximately GBP386) per tonne and a high of RM2,700 (approximately GBP473) per tonne this year.

Principal Risks and Uncertainties

The principal risks and uncertainties lie in the investments the Company holds. The agriculture sector means that returns are influenced by external factors that include weather patterns, suitability and availability of arable land and global demand and supply.

Given the nature of the business and activity of the Company, the Directors believe that the Company is more specifically exposed to the following risks:

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CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

Agricultural risk

The primary risk factors that affect most agricultural operations are usually related to agro climatic conditions, pests and diseases that may affect the crop production and the crop itself. To mitigate the abovementioned risk factors, companies need to be cognizant of their agricultural practices, which can mitigate the risk of outbreaks of pests and diseases. Adverse climatic conditions including drought or excessive rainfall or unusually low levels of rainfall required for the normal development of the oil palms may lead to a reduction in subsequent crop levels.

The Company will consider the above risk factors and mitigating factors which would be part of its agronomic due diligence process before deciding on the investment.

Commodity and CPO prices

Oil palm production companies depend on sales of Fresh Fruit Bunches ("FFBs") to mills or CPO if the Company owns its own mill as its primary source of revenue. The price of the commodity is dependent on the demand and supply of the product globally and other competing edible oil supplies, especially soybean oil. The price of edible oils depends generally on the production levels of all other edible oils including palm oil, which are substitutable by users. Therefore the price fluctuation is influenced by factors beyond the Company's control.

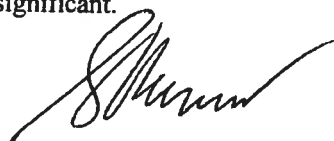
These factors include global supply and demand of CPO and other macro-economic factors related to the global commodity market. A significant prolonged decline in CPO prices could impact the viability of some or all of the Company's investments.

Liquidity risk

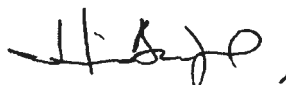
The Company's continued future operations depend on the ability to hold sufficient working capital to be able to meet its financial obligations. The Directors are confident that there is adequate funding to finance future immediate working capital requirements for the next 12 months.

Financial Risk Management

The Company's principal financial instruments are cash and cash equivalents. No bank loans or other financing arrangements have been entered into. No borrowings have been raised to finance working capital. Therefore the Company's exposure to credit risk, liquidity risk and market risk is not deemed significant.



M Subramaniam
Chief Executive Officer



H Bin Abdul Jalil
Non-Executive Director

20 May 2016

LONDON NUSANTARA PLANTATIONS PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report on the affairs of the Company, together with the financial statements and auditors' report, for the year ended 31 December 2015.

Principal activities

London Nusantara Plantations plc is a company registered in the Isle of Man. The Company was incorporated on 5 June 2013. On 30 June 2014, the Company's shares were admitted to trading on the ISDX Growth Market in London. The Company's principal activity is investment within the agriculture sector, primarily in the palm oil sector.

Results

The loss for this year after taxation was £165,706 (2014 - £168,650). The Directors do not recommend the payment of a dividend.

Going concern

As at the balance sheet date the company has £191,097 (2014 - £372,476) cash and cash equivalents. The directors prepared detailed working capital forecasts to ensure that the Company would have sufficient funds available for the foreseeable future. Having reviewed the Company's forecasts, the directors believe that the Company is well placed to manage its business risks successfully. Thus, they have adopted the going concern basis in preparing these financial statements.

Directors

The directors, who served throughout the period and to the date of this report, are as follows:

M Subramaniam
H Bin Abdul Jalil
S Rothschild

Directors' interests

The beneficial interests in the Company's shares of the Directors and their families were as follows:

	Held at 31 December 2015	Held at 31 December 2014
M Subramaniam	32,720,003*	32,720,003
H Bin Abdul Jalil	473,234	473,234
S Rothschild	-	-

* includes 10,270,000 held by Super Eight Universal Inc. and 18,200,000 held by One Oceania Capital Inc., companies controlled by M Subramaniam.

Directors' remuneration

Details of the Directors' emoluments for the year are as follows:

	2015 £	2014 £
M Subramaniam	22,500	4,500
H Bin Abdul Jalil	8,231	3,662
S Rothschild	12,600	6,000
	=====	=====

LONDON NUSANTARA PLANTATIONS PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

Substantial shareholders

The Directors are aware of the following shareholdings of 3% or more of the issued share capital of the Company as of 17 May 2016:

	Number of Ordinary shares	% of Share Capital
Lim Kuan Yew	20,779,336	11.5
Araluen Point Assets Limited	19,650,000	10.9
One Oceania Capital Inc.	18,200,000	10.0
DAK Investments Inc.	17,000,000	9.4
Super Eight Universal Inc.	10,270,000	5.7
Khalid Bin Yusoff	9,250,000	5.1
Perlington Limited	7,212,739	4.0
Mohd Haniff Bin Abdul Aziz	6,991,172	3.9
Teh Gaik Looi	6,892,937	3.8

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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 (IFRSs) as adopted by the European Union. 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, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company.

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.

LONDON NUSANTARA PLANTATIONS PLC

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

Auditors

Each of the persons who is a director at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are 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 auditors are aware of that information.

UHY Hacker Young LLP has expressed their willingness to continue in office. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board



M Subramaniam
Director

20 May 2016

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LONDON NUSANTARA PLANTATIONS PLC

We have audited the financial statements of London Nusantara Plantations plc for the year ended 31 December 2015 which comprise the statement of comprehensive income, the statement of financial position, the statement of cash flows, 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.

This report is made solely to the company's members, as a body, in accordance with section 15 of the Companies Act 1982. 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 set out on page 6, 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 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 December 2015 and of its loss for the year then ended;
- have been prepared in accordance with the requirements of International Financial Reporting Standards; and
- have been prepared in accordance with the requirements of the Companies Acts of 1931 to 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Acts 1931 to 2006 requires us to report to you if, in our opinion:

- proper books of account have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the books of account and returns; or
- we have not received all the information and explanations we require for our audit.



Colin Wright (Senior Statutory Auditor)

for and on behalf of UHY Hacker Young
Chartered Accountants and Statutory Auditors

Quadrant House
4 Thomas More Square
London
E1W 1YW

20 May 2016

LONDON NUSANTARA PLANTATIONS PLC

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	Year ended 31 December 2015 £	Year ended 31 December 2014 £
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Cost of ISDX admission		-	(80,268)
Administration expenses		(174,357)	(94,756)
Operating loss	4	(174,357)	(175,025)
Finance income	6	8,651	6,960
Loss before taxation		(165,706)	(168,065)
Taxation	7	-	-
Loss for the year		(165,706)	(168,065)
Other comprehensive income		-	-
Total comprehensive loss		(165,706)	(168,065)
Loss attributable to:			
Equity holders of the company		(165,706)	(168,065)
Loss per share	8	(0.09)p	(0.13)p

LONDON NUSANTARA PLANTATIONS PLC

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	Notes	2015 £	2014 £
Non-Current assets			
Office equipment	9	230	308
Investments	10	111,772	20
Total non-current assets		<u>112,002</u>	<u>328</u>
Current assets			
Amounts receivable from related parties	11	-	100,477
Prepayments	11	-	750
Cash and cash equivalents	12	191,097	372,476
Total current assets		<u>191,097</u>	<u>473,703</u>
Total Assets		<u>303,099</u>	<u>474,031</u>
Current liabilities			
Accruals	13	(11,032)	(26,258)
Total Liabilities		<u>(11,032)</u>	<u>(26,258)</u>
Net Assets		<u>292,067</u>	<u>447,773</u>
Capital and reserves			
Share capital	14	669,438	659,438
Retained losses	15	(377,371)	(211,665)
Total Equity		<u>292,067</u>	<u>447,773</u>

The financial statements of London Nusantara Plantations plc, registered number 009753V (Isle of Man), were approved by the board of directors and authorised for issue on 20 May 2016. They were signed on its behalf by:



M Subramaniam
Director

LONDON NUSANTARA PLANTATIONS PLC

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Year ended 31 December 2015 £	Year ended 31 December 2014 £
Operating loss	(174,357)	(175,025)
Adjusted for:		
Depreciation	78	7
Cost of admission to ISDX	-	80,268
Decrease / (increase) in receivables	750	(101,225)
Decrease in payables	(15,226)	(17,362)
Net cash outflow from operating activities	<u>(188,755)</u>	<u>(213,337)</u>
Cash flow from investing activities		
Interest received	8,651	6,960
Purchase of office equipment	-	(315)
Purchase of investment	(1,275)	-
Net cash inflow from investing activities	<u>7,376</u>	<u>6,645</u>
Cash flow from financing activities		
Net proceeds from issue of shares	-	579,168
Net cash inflow from financing activities	<u>-</u>	<u>579,168</u>
Net (decrease) / increase in cash and cash equivalents	(181,379)	372,476
Cash and cash equivalents at the beginning of the year	372,476	-
Cash and cash equivalents at the end of the year	<u><u>191,097</u></u>	<u><u>372,476</u></u>

LONDON NUSANTARA PLANTATIONS PLC

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Share capital £	Retained losses £	Total equity £
As at 1 January 2015	659,438	(211,665)	447,773
Loss for the year	-	(165,706)	(165,706)
Shares issued in the year	10,000	-	10,000
At 31 December 2015	<u>669,438</u>	<u>(377,371)</u>	<u>292,067</u>
As at 1 January 2014	2	(43,600)	(43,598)
Loss for the year	-	(168,065)	(168,065)
Shares issued in the year	659,436	-	659,436
At 31 December 2014	<u>659,438</u>	<u>(211,665)</u>	<u>(447,773)</u>

LONDON NUSANTARA PLANTATIONS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Significant accounting policies

1.1 Basis of preparation

The financial statements are presented as required by the Companies Act 2006 (Isle of Man). As permitted by that Act, the financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted that have been adopted by the company in the preparation of these financial statements are set out below.

1.2 Going concern

On admission to ISDX on 30 June 2014, the company raised £532,428 in gross proceeds from a share placing, of which net proceeds after costs of the IPO of £452,160 were received. As part of the admission process, the directors prepared detailed working capital forecasts to ensure that the company would have sufficient funds available for the foreseeable future.

Having reviewed the company's forecasts, the directors believe that the company is well placed to manage its business risks successfully. Thus, they have adopted the going concern basis in preparing this interim financial information.

1.3 Foreign currencies

The results and financial position of the company are expressed in Pounds Sterling (£) which is the presentation currency for the company financial statements. The functional currency of the company is the Malaysian Ringgit (RM), which is the currency of the environment in which the company principally operates. At the year-end, the exchange rate applying to these financial statements was £1 = RM6.3607 (2014 £1 = RM5.4519).

The assets and liabilities of the company's foreign operations are translated at exchange rates prevailing on the date of the accounts. Income and expense items are translated at exchange rates ruling at the date of the transactions. Exchange differences arising, if any, are classified as income or as expenses in the period in which they arise.

1.4 Office equipment

Office equipment is stated at cost, less depreciation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset over this expected useful life, as follows:

Office equipment	25% per annum on a straight line basis
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1.5 Investments

Investments are stated at cost less any provision for impairment.

1.6 Trade and other receivables

Trade and other receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of trade and other receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets' carrying amount and the recoverable amount. Provisions for impairment of receivables are included in the income statement.

LONDON NUSANTARA PLANTATIONS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Significant accounting policies (continued)

1.7 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand only.

1.8 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the company prior to the financial year, which are unpaid. Current liabilities represent those amounts falling due within one year.

1.9 Taxation

Deferred 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 tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination, which at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates that are expected to apply when the related deferred tax asset is realised or when the deferred tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

1.10 New standards and interpretations

The following new standards and amendments are mandatory for the first time for financial periods commencing on or after 1 January 2015:

Annual improvements to IFRSs 2011 – 2013

These annual improvements to IFRSs impact a number of standards including IFRS 1, IFRS 3, IFRS 13 and IAS 40.

The directors consider that the above amendments to standards do not have any impact on these financial statements.

1.11 IFRS Standards and interpretations in issue but not yet effective

The IASB and IFRIC have issued new standards and interpretations with an effective date after the date of these financial statements. Of these, only the following are expected to be relevant to the company:

International Financial Reporting Standards (IFRS)

IFRS 9 Financial instruments

IFRS 15 Revenue from contracts with customers

Annual improvements to IFRSs 2010 – 2012

Annual improvements to IFRSs 2012 – 2014

Amendments to IAS 1 – Disclosure initiative

The directors do not expect that the effect of the annual improvements to standards will have a material impact on the preparation of the financial statements and have not considered early adoption to be necessary.

LONDON NUSANTARA PLANTATIONS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

2. Critical accounting judgements and estimates

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

The estimate significant to the financial statements is the consideration of investments for any impairment in value. The investment held by the company is at an early stage of its development and the company cannot yet carry out a reliable review for any impairment. Future events or transactions may result in a more reliable assessment for any impairment in the value of the investment held by the company.

3. Segmental information

The company's assets and activities are based in Malaysia within the palm oil investment sector. This is the only business segment in which the company operates as identified by management.

4. Operating loss

	2015 £	2014 £
Operating loss has been arrived at after charging:		
Depreciation of office equipment	78	7
Losses on foreign exchange	44,955	2,718
Cost of admission to ISDX	-	80,268
Auditors' remuneration:		
- Audit fees	7,000	7,000
- Interim announcement	1,500	2,000
- ISDX reporting accountant	-	9,000
	=====	=====

5. Employees

The only employees of the company during the year were the Directors. Directors' remuneration is separately disclosed in the Directors' Report on page 5.

6. Finance income

	2015 £	2014 £
Bank interest received	8,651	6,960
	=====	=====

LONDON NUSANTARA PLANTATIONS PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

7. Taxation	2015	2014
	£	£
Current tax	-	-
Deferred tax	-	-
	<u> </u>	<u> </u>

No reconciliation of the factors affecting the tax charge has been presented as the company is incorporated in the Isle of Man, which has a corporation tax rate of 0%.

8. Loss per share

The basic loss per share of 0.09p (2014 - 0.13p) for the company is calculated by dividing the loss for the period by the weighted average number of ordinary shares in issue of 180,266,254 (2014 - 123,029,907).

LONDON NUSANTARA PLANTATIONS PLC

**NOTES TO THE FINANCIAL STATEMENTS
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9. Office equipment

	Office equipment £
Cost	
At 1 January 2014	-
Additions	315
	<hr/>
At 1 January 2015	315
Additions	-
	<hr/>
At 31 December 2015	315
	<hr/>
Depreciation	
At 1 January 2014	-
Charge for the year	7
	<hr/>
At 1 January 2015	7
Charge for the year	78
	<hr/>
At 31 December 2015	85
	<hr/>
Net book value	
At 31 December 2015	230
	<hr/> <hr/>
At 31 December 2014	308
	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Investments

	Unlisted investments £
Cost	
At 1 January 2014	-
Additions	20
	<hr/>
At 1 January 2015	20
Additions	111,752
	<hr/>
At 31 December 2015	111,772
	<hr/>
Net book value	
At 31 December 2015	111,772
	<hr/> <hr/>
At 31 December 2014	20
	<hr/> <hr/>

On 26 November 2014, the company acquired an 11% interest in the ordinary share capital of Next Oasis Sdn Bhd, a company incorporated in Malaysia. Next Oasis was incorporated on 26 November 2014 for the purpose of acquiring two companies that hold parcels of vacant land in Malaysia which are suitable for oil palm cultivation.

The directors have reviewed the management accounts of Next Oasis Sdn Bhd and discussed the progress of the development with the senior management of Fima Corporation Berhad, and are of the view that no provision for impairment in the value of the investment is currently required. One of the company's directors, Hussin Abdul Jalil, sits on the Board of Next Oasis Sdn Bhd and has been closely involved in monitoring the development of the two parcels of land. The directors will regularly review the investment and whether an impairment provision of the carrying value of the investment is required.

11. Receivables

	2015 £	2014 £
Amounts receivable from related parties (note 16)	-	100,477
Prepayments	-	750
	<hr/>	<hr/>
	-	101,227
	<hr/> <hr/>	<hr/> <hr/>

LONDON NUSANTARA PLANTATIONS PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

12. Cash and cash equivalents

Cash and cash equivalents comprise cash held at bank. The carrying amount of these assets is approximately equal to their fair value.

13. Payables

	2015	2014
	£	£
Accruals	11,032	26,258
	<u>11,032</u>	<u>26,258</u>

14. Share capital

	Number of shares	£
Authorised:		
500,000,000 Ordinary Shares of £nil par value	500,000,000	-
	<u>500,000,000</u>	<u>-</u>
Allotted and called up and fully paid:		
Ordinary shares at 31 December 2014	180,258,336	659,438
Ordinary shares issued during the year as payment consideration in lieu of cash	200,000	10,000
	<u>180,458,336</u>	<u>669,438</u>
As at 31 December 2015	180,458,336	669,438
	<u>180,458,336</u>	<u>669,438</u>

15. Retained losses

	2015	2014
	£	£
Balance at 1 January	211,665	43,600
Loss for the year	165,706	168,065
	<u>377,371</u>	<u>211,665</u>
Balance at 31 December	377,371	211,665
	<u>377,371</u>	<u>211,665</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

16. Financial instruments

The company holds the following financial instruments:

	2015	2014
	£	£
Finance assets		
Receivables	-	101,227
Cash at bank	191,097	372,476
	<u>191,097</u>	<u>473,703</u>
Financial liabilities		
Payables	11,032	26,258
	<u>11,032</u>	<u>26,258</u>

Financial risk management objectives

The company is exposed to a variety of financial risks which include capital risk management and currency risk.

The company has determined the guidelines in managing the financial risks and seeks to minimise potential adverse effects on the financial performance of the company. As described below, the company constantly monitors the financial risks to which it is exposed, in order to detect those risks in advance and take the necessary action to mitigate them.

The directors recognise that this is an area in which they may need to develop specific policies should the company become exposed to further financial risks as the business develops.

The following section provides qualitative disclosures on the effect that these risks may have upon the company.

Capital risk management

The company manages its capital to ensure that entities in the company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the equity balance. The capital structure of the company consists of equity attributable to equity holders, comprising issued capital, reserves and retained losses as disclosed in notes 14 and 15.

Externally imposed capital requirement

The company is not subject to externally imposed capital requirements.

Foreign currency risk

It is anticipated that the company will undertake a significant proportion of its activities in Malaysia. Foreign currency risks will be monitored by the Board.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

16. Financial instruments (continued)

The carrying amounts of the company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Assets 2015 £	Liabilities 2015 £	Assets 2014 £	Liabilities 2014 £
Malaysian Ringgit	303,099	11,032	473,703	7,279

The company is mainly exposed to the currency fluctuations of the Ringgit. The net effect on the company's profit and loss of a 10% movement in exchange rates would amount to £29,207 (2014 - £46,642).

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 1 to the financial statements.

17. Related party transactions

No related party transactions during the financial year ended 31 December 2015 were undertaken.

18. Controlling party

At 31 December 2015 the company was not under the control of any one entity or individual.

19. Subsequent events

No subsequent events have taken place after the financial year end.