

Company Registration Number: 608059

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**GRANITESHARES FINANCIAL PLC**

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**FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

# GRANITESHARES FINANCIAL PLC

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# GRANITESHARES FINANCIAL PLC

## COMPANY INFORMATION

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<b>DIRECTORS</b>	Damien Carroll (appointed 10 July 2019) Grainne Kirwan Enda Kelly (appointed 21 March 2019, resigned 10 July 2019) Sam Sengupta (British National) (resigned 21 March 2019)
<b>COMPANY REGISTRATION NUMBER</b>	608059
<b>COMPANY REGISTERED OFFICE</b>	3 <sup>rd</sup> Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland
<b>COMPANY SECRETARY</b>	TMF Administration Services Limited
<b>REGISTERED AUDITORS</b>	KPMG Chartered Accountants, 1 Harbourmaster Place, IFSC Dublin 1

**GRANITESHARES FINANCIAL PLC**  
**DIRECTORS' REPORT**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

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The directors present their directors' report and the audited financial statements of Graniteshares Financial Plc (the "Company") for the financial year ended 30 June 2019.

**PRINCIPAL ACTIVITIES**

The Company was incorporated on 17 July 2017, in accordance with the laws of Ireland with a registration number 608059.

The Company has been formed for the purpose of issuing collateralised ETP Securities , and will enter into a fully funded Swap agreement, however, no commercial activity has commenced during the financial year. It is intended that the ETP Securities will initially be listed on the London Stock Exchange for trading on the secondary market.

**RESULTS FOR THE YEAR AND STATE OF AFFAIRS FOR THE YEAR ENDED 30 JUNE 2019**

The results for the financial year and the Company's financial position at the end of the financial year are set out on page 10 and page 11 respectively. Profit on ordinary activities before taxation amounted to € Nil (2018: Nil). There was no taxation charge for the year (2018: Nil). The Company did not trade in the financial year.

**DIVIDENDS**

No dividends were recommended to be paid for the year ended 30 June 2019 (2018: Nil).

**REVIEW OF THE DEVELOPMENT AND PERFORMANCE OF THE BUSINESS**

The Company did not enter into any transactions during the year ended 30 June 2019, however, the launch of the ETP Securities which was intended for the final quarter of 2018 is now expected to occur in the third quarter of 2019.

**PRINCIPAL RISKS AND UNCERTAINTIES**

As the Company, did not enter into any transactions during the year ended 30 June 2019, the principal risks do not apply at this time.

**DIRECTORS AND COMPANY SECRETARY**

The directors and the company secretary are listed on page 3. Sam Sengupta resigned as a director on 21 March 2019 and Enda Kelly was appointed on the same date. Enda Kelly resigned as a director on 10 July 2019 and Damien Carroll was appointed on the same date.

The directors and the company secretary had no material interest in any contract of significance in relation to the business of the Company. The directors and company secretary who held office on 30 June 2019 did not hold any shares, debentures or loan stock of the Company on that date or during the financial year.

**GOING CONCERN**

The Company did not trade during the year ended 30 June 2019. The Company is now expected to begin trading in the second half of 2019.

**RELATED PARTY TRANSACTIONS**

Graniteshares Jersey Limited, acting as Arranger for the Company, have and will continue to will cover expenses arising, if any, prior to the Company commencing trading. There were no other related party transactions during the financial year.

**GRANITESHARES FINANCIAL PLC**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

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### **SIGNIFICANT SUBSEQUENT EVENTS**

The launch of the ETP Securities is intended for the third quarter of 2019. There were no other significant subsequent events since the end of the financial year until the date of approving of this report that would require an adjustment to or disclosure in the financial statements.

### **FINANCIAL RISK MANAGEMENT**

As the Company has yet to commence operations, the directors believe that the Company currently faces no risks or uncertainties.

### **POLITICAL DONATIONS**

The Company did not make any political donations during the financial year, (2018: Nil)

### **ADEQUATE ACCOUNTING RECORDS**

The directors are responsible for ensuring that adequate accounting records, as outlined in Section 281-285 of the Companies Act 2014, are kept by the Company. The measures taken by directors to ensure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and by ensuring that a competent service provider is responsible for the preparation and maintenance of the accounting records. The accounting records are kept at 3<sup>rd</sup> Floor Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

### **DISCLOSURE OF INFORMATION TO AUDITORS**

The directors in office at the date of this report have each confirmed that:

- as far as he/she is aware, there is no relevant audit information of which the company's statutory auditors are unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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 year. Under the law, they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable law.

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 assets, liabilities and financial position of the Company and of its profit or loss 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 they have been prepared in accordance with IFRS as adopted by the European Union;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting, unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative, but to do so.

**GRANITESHARES FINANCIAL PLC**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

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**DIRECTORS' RESPONSIBILITIES STATEMENT (CONTINUED)**

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

**INDEPENDENT AUDITOR**

KPMG, Chartered Accountants and Statutory Audit Firm, have indicated their willingness to continue in office.

On behalf of the Board:

  
Damien Carroll  
Director

  
Grainne Kirwan  
Director

Date: 12 August 2019



**KPMG**  
**Audit**  
1 Harbourmaster Place  
IFSC  
Dublin 1  
D01 F6F5  
Ireland

## Independent auditor's report to the members of Graniteshares Financial plc

### 1 Report on the audit of the financial statements

#### **Opinion**

We have audited the financial statements of Graniteshares Financial plc ('the Company') for the year ended 30 June 2019 set out on pages 10 to 14, which comprise the statement of financial position, the statement of comprehensive income and the statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 30 June 2019 and of its profit or loss for the year then ended;
- have been properly prepared in accordance with (IFRS) as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **We have nothing to report on going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

#### **Other information**

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.



Based solely on our work on the other information;

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

#### ***Opinions on other matters prescribed by the Companies Act 2014***

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

#### ***Matters on which we are required to report by exception***

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

## **2 Respective responsibilities and restrictions on use**

#### ***Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### ***Auditor's responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs Ireland will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at:

[https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf)





***The purpose of our audit work and to whom we owe our responsibilities***

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'JC'.

**James Casey**

**for and on behalf of**

**KPMG**

**Chartered Accountants, Statutory Audit Firm**

1 Harbourmaster Place

IFSC

Dublin 1

Ireland

Date: 12 August 2019

**GRANITESHARES FINANCIAL PLC**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

<b>Financial year ended 30 June 2019</b>	<b>Financial period ended 30 June 2018</b>
€	€

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The Company did not trade during the financial year and received no income and incurred no expenditure. Consequently, during this year, the Company made neither a profit nor a loss. The Company has no other recognised gains and losses nor any cash flow during the year and accordingly, no statement of total recognised gains and losses is presented.

The accompanying notes form an integral part of these financial statements.

GRANITESHARES FINANCIAL PLC


STATEMENT OF FINANCIAL POSITION  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	Notes	As at 30 June 2019 €	As at 30 June 2018 €
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	6,250	-
Debtors	5	18,750	25,000
<b>TOTAL ASSETS</b>		<b>25,000</b>	<b>25,000</b>
<b>EQUITY</b>			
Called-up share capital	6	25,000	25,000
<b>TOTAL EQUITY</b>		<b>25,000</b>	<b>25,000</b>

The accompanying notes form an integral part of these financial statements.

The financial statements were approved by the Board on 12 August 2019 and signed on its behalf by:

  
Damien Carroll  
Director

  
Grainne Kirwan  
Director

**GRANITESHARES FINANCIAL PLC**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

<b>Financial year ended 30 June 2019</b>	<b>Share Capital €</b>	<b>Profit and loss account €</b>	<b>Total €</b>
As at 1 July 2018	25,000	-	25,000
Share capital issued		-	
Total comprehensive income for the financial year	-	-	-
As at 30 June 2019	25,000	-	25,000

<b>Financial period ended 30 June 2018</b>	<b>Share Capital €</b>	<b>Profit and loss account €</b>	<b>Total €</b>
As at 17 July 2017 (date of incorporation)	-	-	-
Share capital issued	25,000	-	25,000
Total comprehensive income for the financial period	-	-	-
As at 30 June 2018	25,000	-	25,000

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## GRANITESHARES FINANCIAL PLC

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

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#### 1. GENERAL INFORMATION

The Company was incorporated on 17 July 2017 in accordance with the laws applicable in Ireland under registration number 608059.

#### 2. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with IFRS as adopted by the EU and those parts of Companies Act 2014 applicable to companies reporting under IFRS. The accounting policies adopted by the Company have been applied consistently. The financial statements have been prepared on a going concern basis.

##### (a) Use of estimates and judgements

The preparation of the financial statements requires the directors to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions will be reviewed on an ongoing basis. Revisions to accounting estimates will be recognised in the year in which the estimates are revised and in any future periods affected.

##### (b) Debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in operating expenses.

##### (c) Share capital

Ordinary shares are classified as equity, as per the Company's Constitution.

#### 3. STATUTORY INFORMATION

The Company did not employ any persons during the year save for the directors who received no remuneration from the Company, (2018: Nil).

#### 4. CASH AND CASH EQUIVALENTS

	As at 30 June 2019 €	As at 30 June 2018 €
Cash and cash equivalents	<u>6,250</u>	<u>-</u>

#### 5. DEBTORS

	As at 30 June 2019 €	As at 30 June 2018 €
Amounts due from Shareholders	<u>18,750</u>	<u>25,000</u>

**GRANITESHARES FINANCIAL PLC**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

6. CALLED UP SHARE CAPITAL	As at 30 June 2019 €	As at 30 June 2018 €
<b>Authorised</b> 100,000,000 ordinary shares of €1 each	<u>100,000,000</u>	<u>100,000,000</u>
<b>Issued and called up</b> 25,000 ordinary share of €1	<u>25,000</u>	<u>25,000</u>

The Company issued 25,000 shares which are held by TMF Management (Ireland) Limited on trust for charitable purposes. On 26 March 2019, the shareholder paid up 25% of the share capital.

**7. CONTINGENT LIABILITIES AND COMMITMENTS**

There were no contingent liabilities or commitments as of 30 June 2019 (2018: Nil). Contingent liabilities are assessed continually to determine whether transfers of economic benefits have become probable. Where future transfers of economic benefits change from previously disclosed contingent liabilities, provisions are recognised in the financial year in which the changes in probability occur.

**8. DIRECTORS' AND SECRETARY'S INTEREST**

In accordance with Section 329 of the Companies Act 2014, none of the Directors or Secretary, their spouses or minor children held 1 per cent or above (as set out in Section 260 (f) of the Companies Act 2014) interest in the share capital of the Company at 30 June 2019.

**9. RELATED PARTY TRANSACTIONS**

Graniteshares Jersey Limited, acting as Arranger for the Company, have and will continue to will cover expenses arising, if any, prior to the Company commencing trading. There were no other contracts of any significance in relation to the business of the Company in which the directors had any interest, as defined in the Companies Act 2014, at any time during the financial year.

**10. SIGNIFICANT SUBSEQUENT EVENTS**

The launch of the ETP Securities is intended for the third quarter of 2019. There were no other significant subsequent events since the end of the financial year until the date of approving of this report that would require an adjustment to or disclosure in the financial statements.

**11. APPROVAL OF FINANCIAL STATEMENTS**

The directors approved the financial statements and authorised them for issue on 12 August 2019.