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Ετήσια Οικονομική Έκθεση

**GBI FINANCE GROUP LTD**

GBIFG

**FINANCIAL STATEMENTS 2017**

Please find attached

Attachment:

1. **GBIFG ANNOUNCE**

**Non Regulated**

Publication Date: 09/08/2018

**GBI FINANCE GROUP LTD**

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**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER, 2017**

# GBI FINANCE GROUP LTD

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**GBI FINANCE GROUP LTD**

**DIRECTOR AND OTHER OFFICERS**

**DIRECTOR**

DK CYCHARTS LTD

**SECRETARY**

JURIS-DIRECT SERVICES  
LIMITED

**AUDITORS**

DTM – K LTD

**BANK**

Fibank

**REGISTERED OFFICE**

Cyprus

Agiou Pavlou & Kadmou, 2  
3<sup>rd</sup> floor, Flat/Office 301  
Agios Andreas, 1105, Nicosia,

**GBI FINANCE GROUP LTD**  
**DIRECTOR'S REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER, 2017**

**Financial statements**

1. The director presents his report together with the audited financial statements of the company for the year ended 31 December, 2017.

**Principal activities**

2. The principal activity of the company, which remains unchanged from the previous year, is the provision of brokerage services.

**Results**

3. The loss for the year after accounting for the various items shown in the statement of comprehensive income amounts to Euro 11.672 (14/6/2016-31/12/2016: Euro 1.180)

**Director**

4. The director as at 31 December 2017 and at the date of this report is presented on page 1. The DK CYCHARTS LTD was director for the whole year and retains its office.

**Independent auditors**

5. The independent auditors DTM-K LTD have signified their willingness to continue in office.

**Research and development**

6. The company's director taking into consideration the aspects of research and development is acting accordingly whenever it is appropriate.


**Share capital**

7. During the year the company did not proceed with the issue of any new share capital.

**Responsibilities of director**

8. The responsibilities of the company's executive director have remained unchanged during the period.

By order of the board

  
DK CYCHARTS LTD  
Director



3 August, 2018



## Independent Auditor's Report

To the Members of GBI FINANCE GROUP LTD

Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of GBI FINANCE GROUP LTD (the "Company"), which are presented in pages 4 to 11 and comprise the statement of financial position as at 31 December 2017, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the management report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines 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 Board of Directors is 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

#### 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 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Report on Other Legal Requirements

Pursuant to the additional requirements of the Auditors Law of 2017, we report the following:

- In our opinion, the management report has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the financial statements.
- In our opinion, and in the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the management report.

#### Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

DTM-K CHARTERED  
ACCOUNTANTS LTD  
Ap. Erythra 260208  
DTM-K LTD



## GBI FINANCE GROUP LTD

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER, 2017

	Notes	2017 €	14/6/2016- 31/12/2016 €
Selling and distribution expenses		(9,590)	-
Administration expenses		(1,400)	(850)
Net finance expenses		(682)	(330)
Loss before taxation	4	<u>(11,672)</u>	<u>(1,180)</u>
Taxation	5	<u>-</u>	<u>-</u>
Loss for the year/period		<u><u>(11,672)</u></u>	<u><u>(1,180)</u></u>

#### Statement of comprehensive income


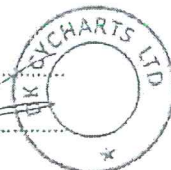
No other recognised gains exist apart from those which are included in the statement of comprehensive income.



**GBI FINANCE GROUP LTD**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT 31 DECEMBER, 2017

	Notes	2017 €	2016 €
<b>ASSETS</b>			
Current assets			
Trade and other receivables	6	220.000	-
Director's current account	8	-	149
Cash at bank	11	10.629	171
		<u>230.629</u>	<u>320</u>
Total assets		<u>230.629</u>	<u>320</u>
<b>EQUITY AND LIABILITIES</b>			
Equity			
Share capital	10	1.000	1.000
Retained earnings		(12.852)	(1.180)
Total equity		<u>(11.852)</u>	<u>(180)</u>
Current liabilities			
Trade and other payables	7	26.127	500
Director's current account	8	530	-
Amount due to bonds' subscribers	9	215.824	-
Total current liabilities		<u>242.481</u>	<u>500</u>
Total liabilities		<u>242.481</u>	<u>500</u>
Total equity and liabilities		<u>230.629</u>	<u>320</u>

These financial statements have been approved by the board of directors on 3 August, 2018.


  
DK CYCHARTS LTD  
Director

The notes on pages 8 to 11 form part of the financial statements.

## GBI FINANCE GROUP LTD

STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY  
FOR THE YEAR ENDED 31 DECEMBER, 2017

	Share capital €	Retained earnings €	Total €
Balance as at 14 June 2016	-	-	-
Issued of share capital	1.000	-	1.000
Loss for the period	-	(1.180)	(1.180)
Balance as at 31 December 2016/1 January 2017	1.000	(1.180)	(180)
Loss for the year	-	(11.672)	(11.672)
Balance as at 31 December 2017	1.000	(12.852)	(11.852)

The notes on pages 8 to 11 form  
part of the financial statements

## GBI FINANCE GROUP LTD

### STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER, 2017

	Note	2017 €	14/6/2016- 31/12/2016 €
<b>Cash flows from operating activities</b>			
Loss before taxation		(11.672)	(1.180)
<b>Adjustments for:-</b>			
Amounts due to bonds' subscribers		215.824	
Increase in trade and other receivables		(220.000)	-
Director's current account		679	(149)
Increase in trade and other payables		25.627	500
Net cash generated from/(used) in operating activities		<u>10.458</u>	<u>(829)</u>
<b>Cash flows from investing activities</b>			
Issue of share capital		-	1.000
Net cash generated from investing activities		<u>-</u>	<u>1.000</u>
<b>Cash flows from financing activities</b>			
Interest paid		-	-
Net cash used in financing activities		<u>-</u>	<u>-</u>
<b>Net increase in cash and cash equivalents</b>			
		10.458	171
<b>Cash and cash equivalents</b>			
at the beginning of the year/period	11	<u>171</u>	-
<b>Cash and cash equivalents</b>			
at the end of the year/period	11	<u>10.629</u>	<u>171</u>

The notes on pages 8 to 11 form part  
of the financial statements.

**GBI FINANCE GROUP LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2017**

**1. INCORPORATION AND PRINCIPAL ACTIVITY**

The company GBI FINANCE GROUP LTD was incorporated in Cyprus on the 14<sup>th</sup> June, 2016 as a limited liability Private Company, in accordance with the Cyprus Company Law, Cap. 113 provisions. Its registered office is at Agiou Pavlou & Kadmou, 2 3<sup>rd</sup> floor, Flat/Office 301 Agios Andreas, 1105, Nicosia, Cyprus. The principal activity of the company, which remains unchanged from the previous year, is the provision of brokerage services.

**2. ACCOUNTING POLICIES**

**(a) Basis of preparation**

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and in accordance with the requirements of the Cyprus Company Law, Cap. 113 provisions and are presented in Euro.

**(b) Depreciation of property, plant and equipment**

Depreciation is calculated to write off the cost of property, plant and equipment on a straight line basis over the expected useful lives of the assets concerned.

In case of a disposal of property, plant and equipment, any difference between the disposal proceeds and its net book value is debited or credited in the income statement in the year it occurred.

**(c) Foreign currencies**

All amounts are expressed in Euro. Assets and liabilities expressed in foreign currencies are translated into Euro using the rate of exchange ruling at the Balance Sheet date. Transactions during the year expressed in foreign currencies are translated into Euro using the rate of exchange ruling at the Balance Sheet date. Differences on exchange are included in operating profit.

**(d) Costs for repairs and maintenance of property, plant and equipment**

The costs for repairs and maintenance of property, plant and equipment are charged to the income statement in the year in which they occur. Costs for material improvements are capitalised when it is considered that they increase the future economic benefits of the company beyond their initial estimation.

**(e) Debtors**

Debtors and other debit balances are presented after the deduction of provision for bad debts which may occur in the company's ordinary activities. Provision for bad debts is only made for debtors whose balances are considered not to be collectible.

**(f) Income recognition**

Revenue is recognised on the basis of the accruals concept. This states that revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the enterprise.

**(g) Taxation**

A corporation tax provision is made based on the regulations and tax rates which are in force, in the country that the principal activity of the company takes place during each financial year.

**(h) Cash and cash equivalents**

The cash and cash equivalents consist of cash in hand and bank balances.

**GBI FINANCE GROUP LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED 31 DECEMBER, 2017

**3. FINANCIAL RISK MANAGEMENT**

**Financial risk factors**

The company is exposed to interest rate risk, credit risk, liquidity risk, currency risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the company to manage these risks are discussed below:

**3.1 Interest rate risk**

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. Borrowings issued at variable rates expose the company to cash flow interest rate risk. Borrowings issued at fixed rates expose the company to fair value interest rate risk. The company's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

**3.2 Credit risk**

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The company has no significant concentration of credit risk. The company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history and monitors on a continuous basis ageing profile of its receivables.

**3.3 Liquidity risk**

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

**3.4 Capital risk management**

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the company's measurement currency. The company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the Latvian Lats. The company's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

**3.5 Capital risk management**

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The company's overall strategy remains unchanged from last year.

**Fair value estimation**

The fair values of the company's financial assets and liabilities approximate their carrying amounts at the reporting date.



**GBI FINANCE GROUP LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2017**

	2017 €	14/6/2016- 31/12/2016 €
<b>4. LOSS BEFORE TAXATION</b>		
The loss for the year/period before taxation appears after the following charges:-		
Audit fees	<u>600</u>	<u>500</u>
<b>5. TAXATION</b>		
Loss before taxation	<u>(11.672)</u>	<u>(1.180)</u>
Tax calculated at the applicable tax rates	(1.459)	(148)
Tax effect of expenses not deductible for tax purposes	44	44
Tax effect of allowances and income not subject to tax	-	-
Tax effect of tax loss for the year	1.415	104
10% additional charge	-	-
Tax charge	<u>-</u>	<u>-</u>
The corporation tax rate is 12.5%.		
<b>6. TRADE AND OTHER RECEIVABLES</b>		
Other loan: -Dore Enterprises LP	<u>220.000</u>	<u>-</u>
The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above. Other loan to Dore Enterprises LP bears interest of 0.5% per year.		
<b>7. TRADE AND OTHER PAYABLES</b>		
Trade payables	25.527	-
Accrued expenses	<u>600</u>	<u>500</u>
	<u>26.127</u>	<u>500</u>
The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.		
<b>8. DIRECTOR'S CURRENT ACCOUNT</b>		
Amount owed to/(from):		
DK CYCHARTS LTD	<u>530</u>	<u>(149)</u>

**GBI FINANCE GROUP LTD**  
**NOTES TO THE FINANCIAL STATEMENTS - (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER, 2017**

	2017	2016
	€	€
<b>9. AMOUNT DUE TO BONDS' SUBSCRIBERS</b>		
Name	2017	2016
Country of incorporation	€	€
EXELTRON VISION LTD	215.824	-
CYPRUS	215.824	-

Purchase of 400.000 discounted bonds of USD1.00 nominal value each, at an issue price of 65% of total value USD260.000 (EUR215.824).

**10. SHARE CAPITAL**

Authorised

1.000 ordinary shares of € 1 each

1.000

1.000

Issued and fully paid

1.000 ordinary shares of € 1 each

1.000

1.000

**11. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise of the following balance sheet items:-

Cash at bank	10.629	171
Cash and cash equivalents	<u>10.629</u>	<u>171</u>

**12. CONTINGENT LIABILITIES**

The company had no contingent liabilities as at 31 December, 2017.

**13. EVENTS AFTER THE REPORTING PERIOD**

There were no material events after the reporting period which has a bearing on the understanding of the financial statements.

Independent Auditors' report on page 3.