

**Brizo Consulting Sh.p.k.**

**Statement of Financial Position for the year ended December 31, 2018**

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*(All amounts are expressed in LEK)*

**Brizo Consulting Sh.p.k**

**NIPT L72313035T**

**Financial Statements**

**for the year ended December 31, 2018**

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**Brizo Consulting Sh.p.k.**

Statement of Financial Position for the year ended December 31, 2018

*(All amounts are expressed in LEK)*

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# Brizo Consulting Sh.p.k.

Statement of Financial Position for the year ended December 31, 2018

(All amounts are expressed in LEK)

## I-Financial Statement

Bilanci "Brizo Consulting " AKTIVET		Balance Sheet "Brizo Consulting" ASSETS	Note nr.	As of 31.12.2018	As of 31.12.2017
Bilanci "Brizo Consulting " AKTIVET		Balance Sheet "Brizo Consulting" ASSETS	Shenimi nr.	Periudha 31.12.2018	Periudha 31.12.2017
<b>I</b>	<b>Aktive Afatshkurtera</b>	<b>Current assets</b>		<b>11,340,850</b>	<b>3,218,579</b>
▶	<b>Aktive monetare</b>	<b>Cash and cash equivalents</b>	1	<b>1,539,780</b>	<b>2,165,328</b>
1	Banka	Bank		1,503,719	2,155,928
2	Arka	Cash		36,061	9,400
▶	<b>Investime</b>	<b>Investments</b>	2	-	-
▶	<b>Të drejta të arkëtueshme</b>	<b>Trade and other receivables</b>	3	<b>9,801,070</b>	<b>1,053,251</b>
1	Nga aktiviteti i shfrytëzimit	Trade receivables		9,543,163	1,039,523
2	Nga njësitë ekonomike brenda grupit	From economic units within the group			
3	Nga njësitë ekonomike ku ka interesa pjesëmarrëse	From economic units the company has invested in			
4	Të tjera	Others		257,907	12,093
5	Kapital i nënshkruar i papaguar	Subscribed share capital		-	1,635
▶	<b>Inventarët</b>	<b>Inventories</b>	4	-	-
▶	<b>Shpenzime të shtyra</b>	<b>Deferred expenses</b>	5	-	-
▶	<b>Të arkëtueshme nga të ardhurat e konstatuara</b>	<b>Receivables from identified income</b>	6	-	-
	<b>Totali i Aktiveve Afatshkurtera(I)</b>	<b>Total current assets</b>		<b>11,340,850</b>	<b>3,218,579</b>
<b>II</b>	<b>Aktive Afatgjata</b>	<b>Noncurrent assets</b>		<b>371,565</b>	<b>-</b>
▶	<b>Aktive financiare</b>	<b>Financial assets</b>	7	-	-
▶	<b>Aktivitet Afatgjata materiale</b>	<b>Tangible assets</b>	8	<b>371,565</b>	<b>-</b>
	Toka, troje,terrene	Land			
	Paisje zyre dhe informatike,mobilije orendi	Office equipment and furniture		371,565	
	Te tjera ne Shfyrtezim	Other tangible assets in use		-	
▶	<b>Ativet biologjike</b>	<b>Biological assets</b>	9	-	-
▶	<b>Aktive jo materiale:</b>	<b>Intangible assets</b>	10	-	-
▶	<b>Aktive tatimore të shtyra</b>	<b>Deferred tax asset</b>	11	-	-
▶	<b>Kapitali i nënshkruar i papaguar</b>	<b>Subscribed share capital</b>	12	-	-
	<b>Totali i Aktiveve Afatgjata(II)</b>	<b>Total noncurrent assets</b>		<b>371,565</b>	<b>-</b>
	<b>TOTALI I AKTIVEVE (I + II)</b>	<b>Total assets</b>		<b>11,712,415</b>	<b>3,218,579</b>

# Brizo Consulting Sh.p.k.

Statement of Financial Position for the year ended December 31, 2018

(All amounts are expressed in LEK)

Bilanci "Brizo Consulting" DETYRIMET DHE KAPITALI		Balance Sheet "Brizo Consulting" LIABILITIES AND EQUITY	Note nr.	As of 31.12.2018	As of 31.12.2017
Bilanci "Brizo Consulting" DETYRIMET DHE KAPITALI		Balance Sheet "Brizo Consulting" LIABILITIES AND EQUITY	Shenimi nr.	Periudha 31.12.2018	Periudha 31.12.2017
<b>I</b>	<b>Detyrime Afatshkurtera</b>	<b>Current liabilities</b>		<b>6,489,033</b>	<b>328,482</b>
▶	<b>Detyrime Afatshkurtera</b>	<b>Current liabilities</b>		<b>6,489,033</b>	<b>328,482</b>
4	Të pagueshme për aktivitetin e shfrytëzimit	Trade payables		5,209,193	58,512
8	Të pagueshme ndaj punonjësve dhe sigurimeve shoqërore/shëndetsore	Payables for social and healthcare insurance		221,171	194,175
9	Të pagueshme për detyrimet tatimore	Tax payable		1,058,669	25,795
10	Të tjera të pagueshme	Other payables		-	50,000
▶	<b>Provizione</b>	<b>Provisions</b>			
	<b>Totali i Detyrimeve Afatshkurtera (I)</b>	<b>Total current liabilities (I)</b>		<b>6,489,033</b>	<b>328,482</b>
<b>II</b>	<b>Detyrime Afatgjata</b>	<b>Non-current liabilities</b>		-	-
▶	<b>Detyrime Afatgjata</b>	<b>Non-current liabilities</b>		-	-
▶	<b>Detyrime tatimore të shtyra</b>	<b>Deferred tax</b>		-	-
	<b>Totali i Detyrimeve Afatgjata (II)</b>	<b>Total non current liabilities (II)</b>		-	-
<b>DETYRIMET TOTALE (I+II)</b>		<b>Total liabilities (I+II)</b>		<b>6,489,033</b>	<b>328,482</b>
<b>III</b>	<b>Kapitali</b>	<b>Equity</b>		<b>5,223,382</b>	<b>2,890,097</b>
▶	<b>Kapitali dhe Rezervat</b>	<b>Equity and reserves</b>		-	-
▶	Kapitali i Nënshkruar	Subscribed capital		2,400,000	2,400,000
▶	Primi i lidhur me kapitalin	Share premium		-	-
▶	Rezerva rivlerësimi	Revaluation reserve		-	-
▶	Rezerva të tjera	Other reserves		-	-
▶	Fitimi i pashpërndarë	Retained earnings		490,097	-
▶	Fitimi (humbja) e vitit financiar	Net profit (loss) of the period		2,333,284	490,097
	<b>Totali i Kapitalit (III)</b>	<b>Total equity</b>		<b>5,223,382</b>	<b>2,890,097</b>
<b>TOTALI I DETYRIMEVE DHE KAPITALIT (I,II,III)</b>		<b>TOTAL LIABILITY AND EQUITY (I,II,III)</b>		<b>11,712,414</b>	<b>3,218,579</b>



# Brizo Consulting Sh.p.k.

Statement of Financial Position for the year ended December 31, 2018

(All amounts are expressed in LEK)

Pasqyra te Ardhurave dhe Shpenzimeve ( Bazuar ne klasifikimin e Shpenzimeve sipas Natyres )	Profit and Loss Statement (Expenses classified by nature)	Note nr.	Reporting period 31.12.2018	Reporting period 31.12.2017	Reporting period 31.12.2017
Pasqyra te Ardhurave dhe Shpenzimeve ( Bazuar ne klasifikimin e Shpenzimeve sipas Natyres )	Profit and Loss Statement (Expenses classified by nature)	Shenimi nr.	Periudha 31.12.2018 / Biznes Madh	Periudha 31.12.2018 / Biznes i Vogel	Periudha 31.12.2017
<b>Të ardhurat nga aktiviteti i shfrytëzimit:</b>	<b>Revenues from operating activity</b>		<b>8,292,040</b>	<b>8,000,000</b>	<b>6,445,960</b>
Të ardhurat nga shitja	Sales	12	8,292,040	8,000,000	6,445,960
<b>Totali i të ardhurave nga aktiviteti i shfrytëzimit</b>	<b>Total operating revenues</b>		<b>8,292,040</b>	<b>8,000,000</b>	<b>6,445,960</b>
<b>Shpenzimet:</b>	<b>Expenses:</b>				
Shpenzime të personelit: <i>Paga dhe shpërblime</i>	Wages and Salaries <i>Wages and bonuses</i>	14	(2,488,507)	(2,710,214)	(1,868,388)
<i>Shpenzime për sigurimet shoqërore dhe shëndetësore</i>	<i>Social and health contributions</i>		(2,213,743)	(2,377,327)	(1,638,541)
Shpenzime konsumi dhe amortizimi	Amortization and depreciation	7	(274,764)	(332,887)	(229,847)
Shpenzime të tjera shfrytëzimi	Other operating expenses	15	(33,778)		-
<b>Totali i shpenzimeve</b>	<b>Total expenses</b>		<b>(4,509,650)</b>	<b>(3,934,961)</b>	<b>(454,461)</b>
			<b>(7,031,935)</b>	<b>(6,645,175)</b>	<b>(2,322,849)</b>
<b>Të ardhurat dhe shpenzime financiare:</b>	<b>Financial income and expenses</b>				
Të ardhura (shpenzime) nga interesat dhe të ngjashme, neto	Net interest income (expense)	16	-	-	-
Të ardhura (shpenzime) nga kursi i këmbimit, neto	Net exchange rates income (expense)	17	(12,752)	(12,302)	-
<b>Totali i te ardhurave dhe shpenzimeve financiare</b>	<b>Net financial income (expense)</b>		<b>(12,752)</b>	<b>(12,302)</b>	<b>-</b>
<b>Pjesa e fitimit (humbjes) nga pjesëmarrjet</b>	<b>Share of profit (loss) form invested companies</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Fitimi (humbja) para tatimit</b>	<b>Earnings before taxes</b>		<b>1,247,354</b>	<b>1,342,522</b>	<b>4,123,111</b>
Shpenzimi për tatimin mbi fitimin aktual	Taxes on current period earnings	18	189,128	67,464	-
Të ardhura nga tatimet e shtyra	Deferred taxes	18			
<b>Fitimi (humbja) e vitit</b>	<b>Net income (loss) of the period</b>		<b>1,058,226</b>	<b>1,275,058</b>	<b>4,123,111</b>

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(All amounts are expressed in LEK)

		STATEMENT OF OWNER'S EQUITY				
PASQYRA E NDRYSHIMEVE NE KAPITAL		Subscribed capital	Retained Earnings	Net profit of the period	Total	
PASQYRA E NDRYSHIMEVE NE KAPITAL		Kapitali i nënshkruar	Fitimi pashpërndarë	Fitimi vitit ushtrimor	Totali	
<b>B</b>	<b>Pozicioni më 31 Dhjetor 2016</b>					
	Të ardhura totale gjithëpërfshirëse për vitin:					
	Fitimi / Humbja e vitit 2017			490,097		490,097
	<b>Të ardhura të tjera gjithëpërfshirëse:</b>					
	Emetimi i kapitalit të nënshkruar	2,400,000				2,400,000
	Dividendë të paguar					
	<b>Totali i transaksioneve me pronarët e njësisë ekonomike</b>					
	<b>Ending capital balance as of 31 December 2017</b>	<b>2,400,000</b>	<b>-</b>	<b>490,097</b>		<b>2,890,097</b>
<b>C</b>	<b>Pozicioni më 31 Dhjetor 2018</b>					
	Të ardhura totale gjithëpërfshirëse për vitin:					
	Fitimi / Humbja e vitit 2018			2,333,284		2,333,284
	<b>Të ardhura të tjera gjithëpërfshirëse:</b>					
	Të ardhura totale gjithëpërfshirëse për vitin:		490,097	(490,097)		(0)
	<b>Total comprehensive income of the year:</b>					
	<b>Ending capital balance as of 31 December 2016</b>	<b>2,400,000</b>	<b>490,097</b>	<b>2,333,284</b>		<b>5,223,381</b>



<b>Pasqyra e Monetare</b>	<b>Fluksit te Mjeteve (metoda indirekte)</b>	<b>Cash Flow Statement (Indirect method)</b>	<b>As of 31.12.2018</b>
<b>Pasqyra e Monetare</b>	<b>Fluksit te Mjeteve (metoda indirekte)</b>	<b>Cash Flow Statement (Indirect method)</b>	<b>Periudha 31.12.2018</b>
<b>► Fluksi i Mjeteve Monetare nga/(përdorur në) aktivitetin e shfrytëzimit</b>		<b>Cash flows from operating activities</b>	<b>(220,206)</b>
Fitim / Humbja e vitit		Net profit (loss) of the period	2,333,284
<b>Rregullimet për shpenzimet jomonetare:</b>		<b>Adjustments for non cash items:</b>	<b>33,778</b>
Shpenzimet financiare jomonetare		Non cash financial expenses	
Shpenzimet për tatimin mbi fitimin jomonetar		Taxes on non cash earnings	
Shpenzime konsumi dhe amortizimi		Amortization and depreciation	33,778
Zhvlerësimi i aktiveve afatgjata materiale		Impairment on long term tangible assets	
<b>Ndryshimet në aktivet dhe detyrimet e shfrytëzimit:</b>		<b>Changes in receivables and payables:</b>	<b>(2,587,269)</b>
Rënie/(rritje) në të drejtat e arkëtueshme dhe të tjera		Increase (decrease) in accounts receivable	(8,747,819)
Rënie/(rritje) në inventarë		Increase (decrease) in inventories	
Rritje/(rënie) në detyrimet e pagueshme		Increase (decrease) in accounts payable	6,160,551
Rritje/(rënie) në detyrime për punonjësit		Increase (decrease) in employees payables	
<b>Mjete monetare neto nga/(përdorur në) aktivitetin e shfrytëzimit</b>		<b>Net cash flow form operating activities</b>	<b>(220,206)</b>
<b>► Fluksi i Mjeteve Monetare nga/(përdorur në) aktivitetin e investimit</b>		<b>Cash flows from investing activities</b>	<b>(405,343)</b>
Para neto të përdorura për blerjen e filialeve		Net cash for purchase of subsidiaries	
Pagesa për blerjen e aktiveve afatgjata materiale		Net cash for long term tangible assets purchase	(405,343)
<b>Mjete monetare neto nga/(përdorur në) aktivitetin e investimit</b>		<b>Net cash flow from investing activity</b>	<b>(405,343)</b>
<b>► Fluksi i Mjeteve Monetare nga/(përdorur në) aktivitetin e financimit</b>		<b>Cash flow from financial activity</b>	<b>-</b>
Arkëtime nga emetimi i kapitalit aksionar		Share issuance	
<b>Rritje/(rënie) neto në mjete monetare dhe ekuivalentë të mjeteve monetare</b>		<b>Increase/ (Decrease) in cash and cash equivalents</b>	<b>(625,549)</b>
<b>Mjete monetare dhe ekuivalentë të mjeteve monetarefillim periudhes</b>		<b>Beginning cash balance</b>	<b>2,165,328</b>
Efekti i luhatjeve të kursit të këmbimit të mjeteve monetare		Effect of fluctuations in exchange rates	
<b>Mjete monetare dhe ekuivalentë të mjeteve monetare më 31 dhjetor 2016</b>		<b>Ending cash balance as of 31 December 2016</b>	<b>1,539,780</b>




## **1. General Information**

Brizo Consulting Sh.p.k (the "Company") was established in November 13, 2017 as a limited liability company in accordance with the legislation in force for commercial companies operating in Albania. Its head office is located in Tirana.

The paid in capital of the Company as at December 31, 2018 amounting to Albanian Lek 2,400,000 is fully owned by Brizo Consulting Sh.p.k.

The Company was incorporated for the purpose of IT services and the development of software in Albania.

As at December 31, 2018 the Company had 7 employees.

## **2. Basis of preparation**

### **(a) Statement of compliance**

The financial statements have been prepared in accordance with Albanian National Accounting Standards (NAS).

### **(b) Basis of measurement**

The financial statements have been prepared on the historical cost basis.

### **(c) Functional and presentation currency**

These financial statements are presented in LEK, which is the Company's functional currency.

### **(d) Use of estimates and judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that 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 are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in the respective notes to the financial statements. The use of accounting estimates is minimal in the current financial statements given the simplicity of the nature of the operations the Company carries out.



### 3. Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

#### (a) Foreign currency transactions

Transactions in foreign currencies should be translated to LEK at exchange rates at the dates of the transactions. Due to restriction on accounting system the company uses different exchange rates while booking the transaction and while invoicing this one.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference resulting from translating a given number of units of a foreign currency into the LEK at different exchange rates. Non-monetary assets and liabilities denominated in foreign currencies are translated to LEK at the exchange rate at the dates of the transaction whereas those that are measured at fair value are retranslated to LEK at the exchange rate at the date the fair value was determined. Foreign currency differences arising on retranslation are recognized in the performance statement. Exchange rate as at year end December 31, 2018 and December 31, 2017 are:

	December 31, 2018	December 31, 2017
EUR/LEK	123.42	132.95
USD/LEK	107.82	111.10

#### (b) Financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, and trade and other payables.

Non-derivative financial instruments are recognized initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

A financial instrument is recognized if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Normal purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Company commits itself to purchase or sell the asset. Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances, current bank accounts and unrestricted deposits with maturity of three months or less from the origination date.

*Accounts receivable*

Accounts receivable are initially recognized at fair value and subsequently measured at cost less impairment losses. Impairment of trade 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. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

**3. Significant accounting policies (continued)**

**(b) Financial instruments (continued)**

*Accounts payable*

Trade and other payables are stated at their fair value and subsequently at their amortized cost, using the effective interest method.

*Fair value*

Estimated fair value of cash and cash equivalents, account receivables and account payables are similar to their net book value.

*Effective interest method*

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

**(c) Inventory**

Inventory is initially recognized at its historical cost and subsequently measured at the lower of cost and net realizable value. Net realizable value is the selling price per unit deducted by applicable variable selling expenses. Cost is determined using the FIFO method and comprises the cost of purchase and other direct costs attributable to bringing inventory to its existing condition.

**(d) Property and equipment**

*(i) Recognition and measurement*





Items of property and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

Software purchase that are essential to the functionality of the related equipment are capitalized as part of that equipment. If component parts of an item of property and equipment have different useful lives, they are accounted for as separate items of property and equipment.

(ii) *Subsequent costs*

The cost of replacing part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognized in performance statement as incurred.

(iii) *Depreciation*

Depreciation is recognized in profit or loss in accordance with the Albanian Legislation by using the reducing balance method.

The depreciation rates used are as follows:

<b>Assets</b>	<b>2018</b>	<b>2017</b>
Vehicles	20%	20%
Office equipments	20% - 25%	20% - 25%

**3. Significant accounting policies (continued)**

**(e) Impairment**

(i) *Financial assets*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in financial performance statement and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.



*(ii) Non-financial assets*

The carrying amounts of the Company's non-financial assets are reviewed at the reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

**(f) Revenue recognition**

Revenue from sale of goods is recognized in the financial statements when the title of ownership and the related risks and rewards are transferred from the seller to the buyer.

Revenue from sale of services is recognized in the financial statements by reference to the stage of completion of the transaction at the end of the reporting period, whenever the outcome of a transaction involving the rendering of services can be estimated reliably. For the outcome of a transaction involving the rendering of services to be estimated reliably the following conditions must be satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

**(g) Finance income and expenses**

Financial income comprises interest income on funds invested in bank deposits and foreign currency gains.

Financial costs comprise interest expense on borrowings, foreign currency losses, and impairment losses recognised on financial assets.

Foreign currency gains and losses are reported on a net basis.



**3. Significant accounting policies (continued)**

**(h) Income tax expense**

*(i) Current tax*

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

*(ii) Deferred tax*

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax liability is recognized for all temporary taxable differences.

**(i) Employee benefits**

*Mandatory social contributions*

The Company, in the normal course of its business, makes payments on its own behalf and on behalf of its employees to contribute for the mandatory social contributions according to the local legislation. The costs incurred on behalf of the Company are charged to the financial performance statement as incurred.

**(j) Operating lease**

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease

**(k) Related Party transactions**





A party is related to an entity if: (a) directly, or indirectly through one or more intermediaries, the party: (i) controls, is controlled by, or is under common control with, the entity; (ii) has an interest in the entity that gives it significant influence over the entity; or (iii) has joint control over the entity; (b) the party is an associate of the entity; (c) the party is a joint venture in which the entity is a venture; (d) the party is a member of the key management personnel of the entity or its parent; (e) the party is a close member of the family of any individual referred to in (a) or (d); (f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or (g) the party is a post-employment benefit plan for the benefit of employees of the entity. A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

#### 4. Office Equipment and Furniture

	Electronic Equipment	Office equipments	Total
<i>Cost</i>			
Balance at January 1, 2017	0	0	0
Additions	0	0	0
<b>Balance at December 31, 2017</b>	<b>0</b>	<b>0</b>	<b>0</b>
Additions	200,884	204,458	405,342
Disposals	0		0
<b>Balance at December 31, 2018</b>	<b>200,884</b>	<b>204,458</b>	<b>405,342</b>
<i>Accumulated depreciation</i>			
Balance at January 1, 2017	0	0	0
Depreciation charge for the year	0	0	0
<b>Balance at December 31, 2017</b>	<b>0</b>	<b>0</b>	<b>0</b>
Charge for the year	-16,740	-17,038	-33,778
Disposals	0	0	0
<b>Balance at December 31, 2018</b>	<b>-16,740</b>	<b>-17,038</b>	<b>-33,778</b>
<i>Carrying amount</i>			
At January 1, 2017	0	0	0
At December 31, 2017	0	0	0
At December 31, 2018	184,144	187,420	371,564






**4. Office Equipment and Furniture**

<i>Cost</i>	<b>Electronic Equipment</b>	<b>Office equipments</b>	<b>Total</b>
Balance at January 1, 2017	0	0	0
Additions	0	0	0
<b>Balance at December 31, 2017</b>	<b>0</b>	<b>0</b>	<b>0</b>
Additions	200,884	204,458	405,342
Disposals	0	0	0
<b>Balance at December 31, 2018</b>	<b>200,884</b>	<b>204,458</b>	<b>405,342</b>
<i>Accumulated depreciation</i>			
Balance at January 1, 2017	0	0	0
Depreciation charge for the year	0	0	0
<b>Balance at December 31, 2017</b>	<b>0</b>	<b>0</b>	<b>0</b>
Charge for the year	-16,889	-16,889	-33,778
Disposals	0	0	0
<b>Balance at December 31, 2018</b>	<b>-16,889</b>	<b>-16,889</b>	<b>-33,778</b>
<i>Carrying amount</i>			
At January 1, 2017	0	0	0
At December 31, 2017	0	0	0
At December 31, 2018	183,995	187,569	371,564

**5. Trade and other receivables**

	As at 31-Dec-18	As at 31-Dec-17
Trade receivables	9,543,163	1,039,523
Other receivable-Vat	48,862	13,728
Other receivable-Profit Tax	209,045	
<b>TOTAL</b>	<b>9,801,070</b>	<b>1,053,251</b>

Trade receivables include amounts due from clients for sales of goods and services and relate to unpaid invoices issued during the year.

**6. Cash and cash equivalents**

Cash and cash equivalents as at December 31, 2018 and 2017 is presented as follows:

	As at 31-Dec-18	As at 31-Dec-17
Cash in hand	<b>36,061</b>	<b>9,400</b>
<i>In LEK</i>	36,061	9,400
<i>In EUR</i>	0	
Cash at banks	<b>1,503,719</b>	<b>2,155,928</b>
<i>In LEK</i>	133,893	85,697
<i>In USD</i>	0	
<i>In EUR</i>	1,369,826	2,070,231
<b>TOTAL</b>	<b>1,539,780</b>	<b>2,165,328</b>

**7. Share capital**

The registered share capital of the Company as at December 31, 2017, is Lek 2,400,000 is comprised of 25% quota shares with a nominal value of Lek 600,000.




**8. Trade and other payables**

	<b>As at 31-Dec- 18</b>	<b>As at 31-Dec-17</b>
Payables to suppliers	5,209,193	58,512
Payables for social and healthcare insurance	221,171	194,175
Tax payable-Profit	139,628	25,795
Tax payable-withholding	919,040	
Other payables		50000
<b>TOTAL</b>	<b><u>6,489,032</u></b>	<b><u>328,482</u></b>

As at December 31, 2018 and 2017 other tax payables consists as above.

**9. Current tax payable**

Current tax represents the excess of current year income tax prepayments over the calculated income tax liability of the year (2018: Prepaid Income Tax).

A reconciliation of the current tax receivable for the year ended December 31, 2018 is as follows:

	<b>For the year ended 31-Dec-18</b>
As at January 1	0
Income tax paid during the year	49,500
Income tax expense for the year (note 15)	-189,128
<b>Current tax receivable</b>	<b><u>-139,628</u></b>



**10. Revenue**

Revenue as at December 31, 2017 and 2016 is as follows

	For the year ended 31-Dec-18	For the year ended 31-Dec-17
Sale of services	16,292,040	1,039,523
<b>TOTAL</b>	<b><u>16,292,040</u></b>	<b><u>1,039,523</u></b>

**11. Other operating expenses**

Other operating service expenses as at December 31, 2018 is as follows

	For the year ended 31-Dec-18
Purchase of energy, steam, water	7000
Purchase of goods and services	345,527.24
Other purchases	7,110.00
General Treatments	203,902.99
Rent	373,423.00
Maintenance and repairs	64,133.33
Transfers, travel expense and diets	1,308,780.41
Telecommunication	1,000.00
Financial services	15,074.74
Local taxes and fees	16,333.40
Penalties and compensation	20,250.00
Consultancy services	6,082,077.00
<b>TOTAL</b>	<b><u>8,444,612</u></b>

**12. Personnel expenses**

	For the year ended 31-Dec-18	For the year ended 31-Dec-17
Salary expenses	4,591,070	347,104
Social and health contributions	607,651	42,051
<b>Total</b>	<b><u>5,198,721</u></b>	<b><u>389,155</u></b>




**13. Income tax expense**

The following is a reconciliation of effective tax rate and the income tax expense for the year ended December 31, 2018 and 2017:

	For the year ended 31-Dec-18 Large	For the year ended 31-Dec-18 Small	For the year ended 31-Dec-17
<b>Profit for the year</b>	1,247,354	1,342,522	515,892
Non-deductible expenses	13,500	6,750	0
<b>Taxable profit</b>	<b>1,260,854</b>	<b>1,349,272</b>	<b>515,892</b>
Effective tax rate	15%	5%	5%
<b>Income tax expense</b>	<b>189,128</b>	<b>67,464</b>	<b>25,795</b>
Deferred tax benefit	0	0	0
<b>Total tax expense</b>	<b>189,128</b>	<b>67,464</b>	<b>25,795</b>
<b>Effective income tax rate</b>	<b>15.16%</b>	<b>5.03%</b>	<b>23.00%</b>

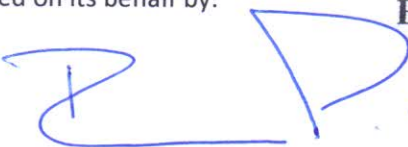
**14. Events after the reporting date**

There are no events after December 31, 2018 that require an adjustment or change at the Financial Statements.

These financial statements are approved by the Management of Brizo Consulting sh.p.k. on March 10, 2018 and are signed on its behalf by:

**Peter Buchmaier**

**Administrator**

**BRIZO Consulting sh.p.k**  
 NUIS L72313035T  
  
 BUCHMAIER PETER

These financial statements are drafted and signed on its behalf by :

**Edvin Gaçe**

**Cheateder Accountant**

