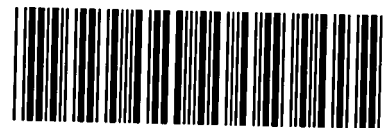


**INFO-SYSTEM (UK) LTD**  
Company number 05033169  
Incorporated in England & Wales,

Registered office address  
207 Regent Street, 3rd Floor, London, England, W1B 3HH

**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER, 2018**

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## **INFO-SYSTEM (UK) LTD**

### **Annual Report and Financial Statements 31 December 2018**

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### **Report of the Director**

The director presents herewith his report and the audited financial statements of the company for the year ended 31 December 2018.

### **Principal activity**

The Company is engaged in the sale of computer hardware and the provision of related computer software and other related products and services.

### **Review of business**

The level of business and the company's financial position remain satisfactory, and the director expects that the present level of activity will improve over the coming years.

### **Statement of the Director's Responsibilities**

Company law requires the director to prepare financial statements for each financial period which 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, the director is required to :

- adopt the going concern basis unless it is inappropriate to presume that the Company will continue in business;
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relating to the accounting period on an accruals basis;
- value separately the components of asset and liability items; and
- report comparative figures corresponding to those of the preceding accounting period.

The director is also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Maltese Companies Act, 1995. This responsibility includes designing, implementing and maintaining such internal controls as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The director is 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.

## **Report of the Director - continued**

### **Results**

The results for the year are as shown in the income statement on page 7.

### **Dividends**

The Director does not recommend the payment of a final net dividend for the financial year ended 31 December 2018.

### **Financial risk management**

#### **Overview**

The company has an exposure to the following risks arising from the use of financial instruments within its activities:

Credit risk  
Liquidity risk  
Market risk

The responsibility for the management of risk is vested in director. Accordingly, it is director who has the overall responsibility for establishing an appropriate risk management framework.

#### **Credit risk**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the company's receivables and bank balances. The company's cash is placed with prime financial institutions. Receivables are presented net of impairment charges for bad and doubtful debts. Accordingly, the company has no concentration of credit risk that could materially impact on the sustainability of its operations.

#### **Liquidity risk**

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Generally, the company ensures that it has sufficient cash on demand to meet expected operational expenditure, including the servicing of financial obligations.

#### **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates or interest rates, will affect the fair value or future cash flows of a financial instrument. The objective of market risk is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Up to the balance sheet date, the company did not have any hedging arrangements with respect to the exposure of floating interest rate risk.

## **Report of the Director - continued**

### **Financial risk management**

#### **Capital management**

It is the policy of the director to maintain an adequate capital base in order to sustain the future development of the business and safeguard the ability of the company to continue as a going concern. In this respect, the director monitors the operations and results of the company, and also monitors the level of dividends, if any, payable to the ordinary shareholders.

The company is not subject to externally imposed capital requirements.

There were no changes in the company's approach to capital management during the period.

#### **Fair values**

At 31 December 2018 and 31 December 2017 the carrying amounts of cash at bank, debtors, creditors and accrued expenses and short-term borrowings approximated their fair values.

### **Events since the year end**

There have been no significant events affecting the company since the year-end.

### **Director**

The sole director of the company who held office during the year is set out below:-

Mr. Boris Ioffe

In accordance with the company's Articles of Association, the present director remains in office.

### **Auditor**

Mr. Frank Gollcher FIA CPA has expressed his willingness to continue in office and a resolution proposing his reappointment will be put to the Annual General Meeting.

### **By Order of the Board**



Mr. Boris Ioffe  
12 A/1, Ix-Xatt ta' Qui-Si-Sana,  
Sliema, SLM 3111  
Malta.

31 May, 2019.

INFO-SYSTEM (UK) LTD  
Annual Report and Financial Statements – 31 December 2018

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### **Independent Auditor's Report**

To the shareholders of Info-System (UK) Ltd

#### **Opinion**

I have audited the financial statements of Info-System (UK) Ltd, set out on pages 7 to 19, which comprise the balance sheet as at 31 December 2018, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements give a true and fair view of the balance sheet of Info-System (UK) Ltd as at 31 December 2018, and of its financial performance for the year then ended in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations (GAPSME), and have been prepared in accordance with the requirements of the Companies Act (Cap.386).

#### **Basis for Opinion**

I concluded my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am 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 my audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Other Information**

The director is responsible for the other information. The other information comprises the director's report.

My opinion on the financial statements does not cover the other information, including the director's report.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the director's report, I also considered whether the director's report includes the disclosures required by Art. 177 of the Companies Act (Cap. 386). Based on the work I have performed, in my opinion:

the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and  
the director's report has been prepared in accordance with the Companies Act (Cap.386).

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, I am required to report if I have identified material misstatements in the director's report and other information.

I have nothing to report in this regard.

## INFO-SYSTEM (UK) LTD

### Annual Report and Financial Statements – 31 December 2018

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#### **Independent Auditor's Report - continued**

To the shareholders of Info-System (UK) Ltd

#### **Responsibilities of the Director**

The director is responsible for the preparation of the financial statements that give a true and fair view in accordance with GAPSME, and for such internal control as the director 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 director 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 director either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

My 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 my 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.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 director.
- Conclude on the appropriateness of the director's use of 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

INFO-SYSTEM (UK) LTD  
Annual Report and Financial Statements – 31 December 2018

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**Independent Auditor's Report - continued**

To the shareholders of Info-System (UK) Ltd

**Auditor's Responsibilities for the Audit of the Financial Statements**

- 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 fair presentation.

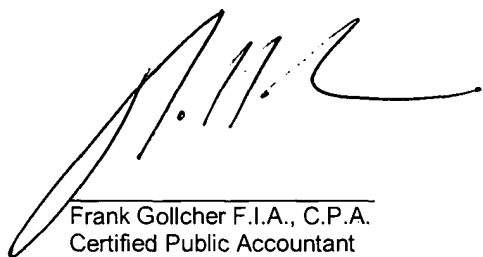
I communicate with the director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

**Report on Other Legal and Regulatory Requirements**

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

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

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



Frank Gollcher F.I.A., C.P.A.  
Certified Public Accountant

The Rock, Flat 2,  
Claire E. Engel Street,  
St Julians STJ 1817,  
Malta.

Date : 31 May, 2019.



## INFO-SYSTEM (UK) LTD

## Annual Report and Financial Statements – 31 December 2018

**Income Statement**


	<i>Notes</i>	<b>Year ended 31 December</b>	
		<b>2018</b>	<b>2017</b>
		<b>Usd</b>	<b>Usd</b>
<b>Turnover</b>	<b>2</b>	<b>1,066,497</b>	<b>2,278,955</b>
Cost of sales		<b>(985,158)</b>	<b>(1,954,813)</b>
<b>Gross profit</b>		<b>81,339</b>	<b>324,142</b>
Administrative expenses	<b>3</b>	<b>(303,759)</b>	<b>(394,925)</b>
<b>Operating loss</b>		<b>(222,420)</b>	<b>(70,783)</b>
Interest payable and similar charges	<b>4</b>	<b>(35,352)</b>	<b>(54,548)</b>
Interest income	<b>5</b>	<b>26,478</b>	<b>23,391</b>
<b>Loss for the financial year</b>		<b>(231,294)</b>	<b>(101,940)</b>

INFO-SYSTEM (UK) LTD  
Annual Report and Financial Statements – 31 December 2018

**Balance Sheet**

	<i>Notes</i>	<b>As at 31 December</b>	
		<b>2018</b>	<b>2017</b>
		<b>Usd</b>	<b>Usd</b>
<b>ASSETS</b>			
<b>Non-current asset</b>			
Tangible assets			
Plant and equipment	7	3,039	5,899
Financial assets			
Investments – Loans and receivables	9	837,480	805,000
		<b>840,519</b>	<b>810,899</b>
<b>Current assets</b>			
Trade and other receivables	10	9,924,881	10,688,727
Cash held at bank	15	228,055	297,318
		<b>10,152,936</b>	<b>10,986,045</b>
<b>Total assets</b>		<b>10,993,455</b>	<b>11,796,944</b>
<b>EQUITY</b>			
<b>Capital and reserves</b>			
Share capital	11	1,000,000	1,000,000
Profit and loss account		(1,318,024)	(1,086,730)
		<b>(318,024)</b>	<b>(86,730)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Interest bearing borrowings	12	2,092,386	2,778,000
<b>Current liabilities</b>			
Trade and other payables	13	9,219,093	9,105,674
<b>Total liabilities</b>		<b>11,311,479</b>	<b>11,883,674</b>
<b>Total equity and liabilities</b>		<b>10,993,455</b>	<b>11,796,944</b>

The Euro/Usd exchange rate ruling as at the reporting date was 1:1.1450 as issued by the European Central Bank.  
The financial statements on pages 7 to 19 were authorised for issue and signed by the sole director on 31 May 2019.

  
\_\_\_\_\_  
Mr Boris Ioffe  
Director

INFO-SYSTEM (UK) LTD  
 Annual Report and Financial Statements – 31 December 2018

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**Statement of Changes in Equity**

	<b>Called up issued share capital Usd</b>	<b>Profit and loss account Usd</b>	<b>Total Usd</b>
Balance at 1 January 2017	1,000,000	(984,790)	15,210
Loss for the financial year	-	(101,940)	(101,940)
<b>Balance at 31 December 2017</b>	<b>1,000,000</b>	<b>(1,086,730)</b>	<b>(86,730)</b>
Balance at 1 January 2018	1,000,000	(1,086,730)	(86,730)
Loss for the financial year	-	(231,294)	(231,294)
<b>Balance at 31 December 2018</b>	<b>1,000,000</b>	<b>(1,318,024)</b>	<b>(318,024)</b>

INFO-SYSTEM (UK) LTD  
Annual Report and Financial Statements – 31 December 2018

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**Statement of Cash Flows**

	<i>Notes</i>	<b>Year ended 31 December</b>	
		<b>2018</b>	<b>2017</b>
		<b>Usd</b>	<b>Usd</b>
<b>Operating activities</b>			
Cash generated from operations	14	657,705	2,049,232
Interest payable and similar charges		(35,352)	(54,548)
Interest income		26,478	23,391
Net cash generated from operating activities		648,831	2,018,075
<b>Investing activities</b>			
Purchase of tangible fixed assets		-	(913)
Loans and receivables		(32,480)	(75,000)
Net cash used in investing activities		(32,480)	(75,913)
<b>Financing activities</b>			
Third party loan		(685,614)	(1,742,000)
<b>Movement in cash and cash equivalents</b>		(69,263)	200,162
<b>Cash and cash equivalents at beginning of year</b>		297,318	97,156
<b>Cash and cash equivalents at end of year</b>	15	228,055	297,318

**Notes to the Financial Statements****1. Principal Accounting Policies**

The financial statements are prepared in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-Sized Entities) Regulations, 2015 and the schedule accompanying and forming an integral part of those regulations (GAPSME). The financial statements are prepared under the historical cost convention.

A summary of the accounting policies, which have been consistently applied, is set out below.

**a. Revenue recognition**

Sales are recognized upon delivery of products and are reported in the financial statements as turnover. Other revenues earned by the company are recognized on the following basis:

Interest income – as it accrues, unless collectibility is in doubt.

**b. Foreign currencies**

Foreign currency transactions are translated into the functional currency Usd using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

The financial statements are presented in Usd, which is the company's functional and presentation currency.

**c. Plant and equipment**

Plant and equipment, comprising motor vehicle, furniture, fixtures and fittings, electrical equipment and broadcasting equipment are initially recorded at cost and are subsequently stated at cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items. Subsequent costs are included in the asset's carrying amount, or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss account during the financial period in which they are incurred.

**1. Principal Accounting Policies - continued****c. Plant and equipment - continued**

Depreciation is calculated on the straight-line method to allocate the cost of the assets to their residual values over their estimated useful lives as follows:

Motor vehicle	20%
Furniture, fixtures and fittings	10%
Equipment	25%
Air conditioners	16.67%
Electrical equipment	16.67%
Broadcasting and communication equipment	16.67%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Gains and losses on disposal of plant and equipment are determined by comparing proceeds with the carrying amount, and are taken into account in determining operating profit.

An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount (Accounting policy (d)).

**d. Impairment of assets**

Assets including goodwill that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

**e. Trade receivables**

Trade receivables are carried at original invoice amount less provisions made for impairment of these receivables. A provision for 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 set original terms. Bad debts are written off during the year in which they are identified.

**f. Cash held at bank**

Cash and cash equivalents are carried in the balance sheet at face value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

**1. Principal Accounting Policies - continued****g. Taxation**

Current and deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case it is also dealt with in other comprehensive income or in equity, as appropriate.

Current tax is based on the taxable result for the year. The taxable result for the year differs from the result as reported in profit or loss because it excludes items which are non-assessable or disallowed and it further excludes items that are taxable or deductible in other periods. It is calculated using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is determined under the liability method in respect of all temporary differences between the carrying amount of an asset or liability in the financial statements and its tax base. Deferred tax liabilities are generally recognised for all taxable temporary differences subject to certain exceptions and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

**h. Provisions**

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

**i. Loans and receivables**

The company's loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the company provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the statement of financial position date. These are classified as non-current assets.

**j. Share capital and dividends**

Ordinary shares are classified as equity.

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

**2. Turnover**

Turnover represents the invoiced value of goods sold and services provided, net of discounts allowed.

INFO-SYSTEM (UK) LTD  
Annual Report and Financial Statements – 31 December 2018

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**3. Loss before tax**

The loss before tax is stated after charging the following:

	2018 Usd	2017 Usd
Director's salary	121,090	115,521
Staff costs (Note 6)	67,170	67,679
Audit fee	7,442	8,934
Depreciation (Note 7)	2,860	5,106
Rent	17,500	30,744
Exchange variations	38,385	1,440

**4. Interest payable and similar charges**

	2018 Usd	2017 Usd
Bank charges	3,316	3,898
Third party long term loan	32,036	50,650
	35,352	54,548

**5. Interest income**

	2018 Usd	2017 Usd
Third party long term loans	26,478	23,391

**6. Staff costs**

	2018 Usd	2017 Usd
Wages and salaries	64,231	90,604
Social security and other costs	2,939	7,892
	67,170	98,496
Amounts charged to a related undertaking	-	(30,817)
	67,170	67,679

Average number of persons employed by the company during the year:

	2018	2017
Administration	2	2



## INFO-SYSTEM (UK) LTD

## Annual Report and Financial Statements – 31 December 2018

**7. Plant and equipment**

	Electrical and security equipment	Motor vehicle	Furniture fixtures and fittings	Office equipment	Total
	Usd	Usd	Usd	Usd	Usd
<b>At 1 January 2017</b>					
Cost	45,725	51,821	23,351	110,130	231,027
Accumulated depreciation	(44,133)	(51,820)	(18,361)	(106,621)	(220,935)
Net book amount	1,592	1	4,990	3,509	10,092
<b>Year ended 31 December 2017</b>					
Opening net book amount	1,592	1	4,990	3,509	10,092
Additions	809	-	-	104	913
Depreciation charge	(1,190)	-	(1,930)	(1,986)	(5,106)
Closing net book amount	1,211	1	3,060	1,627	5,899
<b>At 31 December 2017</b>					
Cost	46,534	51,821	23,351	110,234	231,940
Accumulated depreciation	(45,323)	(51,820)	(20,291)	(108,607)	(226,041)
Closing net book amount	1,211	1	3,060	1,627	5,899
<b>Year ended 31 December 2018</b>					
Opening net book amount	1,211	1	3,060	1,627	5,899
Depreciation charge	(439)	-	(874)	(1,547)	(2,860)
Closing net book amount	772	1	2,186	80	3,039
<b>At 31 December 2018</b>					
Cost	46,534	51,821	23,351	110,234	231,940
Accumulated depreciation	(45,762)	(51,820)	(21,165)	(110,154)	(228,901)
Net book amount	772	1	2,186	80	3,039

INFO-SYSTEM (UK) LTD  
Annual Report and Financial Statements – 31 December 2018

**8. Taxation**

No provision for Malta Income Tax has been raised within these financial statements in view of the current year tax loss incurred during the financial year ended 31 December, 2018.

The tax on the company's loss before tax differs from the theoretical amount that would arise using the basic tax rate of 35% as follows:

	2018 Usd	2017 Usd
Loss on ordinary activities before tax	(231,294)	(101,940)
Tax on ordinary loss at 35%	(80,953)	(35,679)
Expenses disallowed for taxation	13,435	-
Unrecognised movement in deferred tax asset	67,518	35,679
Tax charge	-	-

The company has a potential deferred tax asset as at the reporting date, which has not been recognised within the financial statements due to the uncertainty of its realisability and which arose as follows:

	2018 Usd	2017 Usd
Unabsorbed capital allowances carried forward	11,510	10,308
Unabsorbed tax losses	371,985	305,669
	383,495	315,977

**9. Investments – Loans and receivables**

	2018 Usd	2017 Usd
<b>Third party loans</b>		
<b>Movements for the year ended 31 December :</b>		
Opening net book amount	805,000	780,000
Additions	32,480	25,000
<b>Closing net book amount</b>	<b>837,480</b>	<b>805,000</b>
<b>As at 31 December</b>		
Cost and net book amount	837,480	805,000

These loans are partly secured by assets held by the third, carry interest at an average rate of 3.83% per annum and are all to be wholly repaid by 31 January, 2019.

INFO-SYSTEM (UK) LTD  
Annual Report and Financial Statements – 31 December 2018

**10. Trade and other receivables**

	2018 Usd	2017 Usd
Trade receivables	4,094,499	6,496,151
Vat recoverable	2,391	3,064
Other receivables	927,991	789,512
Advances to third parties	4,900,000	3,400,000
	<b>9,924,881</b>	<b>10,688,727</b>

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables.

The advances to third parties are unsecured, interest free and are all wholly repayable on demand.

**11. Share capital**

	2018 Usd	2017 Usd
<b>Authorised</b>		
1,000,000 Ordinary shares of Usd 1 each	1,000,000	1,000,000
<b>Issued and fully paid</b>		
1,000,000 Ordinary shares of Usd 1 each	1,000,000	1,000,000

**12. Interest bearing borrowings**

	2018 Usd	2017 Usd
<b>Third party loan</b>		
<b>Movements for the year ended 31 December :</b>		
Opening net book amount	2,778,000	4,520,000
Repayments	(685,614)	(1,742,000)
Closing net book amount	<b>2,092,386</b>	<b>2,778,000</b>
<b>As at 31 December</b>		
Cost and net book amount	<b>2,092,386</b>	<b>2,778,000</b>

This loan is unsecured , carries interest at 1.5% per annum and is to be wholly repaid by 31 December 2020.

INFO-SYSTEM (UK) LTD  
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**13. Trade and other payables**

	2018 Usd	2017 Usd
<b>Current</b>		
Trade payables	3,084,431	3,039,473
Accruals and other payables	90,414	63,704
Amounts due to parent undertaking	5,956,462	5,956,462
Amounts due to related undertakings	87,786	46,035
	<u>9,219,093</u>	<u>9,105,674</u>

The amounts due to the parent undertaking and the related undertakings are all unsecured, interest free and are all wholly repayable on demand.

**14. Cash generated from operations**

Reconciliation of operating loss to cash generated from operations:

	<u>Year ended 31 December</u>	
	2018 Usd	2017 Usd
Operating loss	(222,420)	(70,783)
Adjustment for: Depreciation	2,860	5,106
Changes in working capital:		
Trade and other receivables	763,846	1,345,629
Trade and other payables	113,419	769,280
Cash generated from operations	<u>657,705</u>	<u>2,049,232</u>

**15. Cash at bank**

Cash held at bank included in the cash flow statement comprise the following amounts:

	2018 Usd	2017 Usd
Cash held at bank	<u>228,055</u>	<u>297,318</u>

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**16. Related party transactions**

Transactions with related parties were carried out during the normal course of business and solely related to advances. Amounts outstanding, arising from these transactions, as at the reporting date have been separately disclosed within these financial statements as analysed hereunder:

	2018 Usd	2017 Usd
<b>Parent undertaking current account:</b>		
Balance as at beginning of year	5,956,452	6,006,462
Amounts paid during year	-	(50,000)
Dividends paid for year	-	-
Balance as at end of year	5,956,452	5,956,452
<b>Related undertaking current account:</b>		
Balance as at beginning of year	(46,035)	34,425
Amounts recharged during year	11,450	59,965
Payments effected on behalf of company	(53,201)	(140,425)
Balance as at end of year	(87,786)	(46,035)

**17. Statutory information**

Info-System (UK) Ltd is a company registered in the United Kingdom and has its branch in Malta.

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Info-System (UK) Ltd  
Supplementary Schedules  
for the financial year ended 31 December 2018

Schedule

Detailed Income Statement

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Info-System (UK) Ltd  
Detailed Income Statement  
For the financial year ended 31 December 2018

	<b>Year ended 31 December</b>	
	<b>2018</b>	<b>2017</b>
	<b>Usd</b>	<b>Usd</b>
<b>Turnover</b>	<b>1,066,497</b>	<b>2,278,955</b>
<b>Cost of sales</b>		
Purchases	(985,158)	(1,954,813)
<b>Gross profit</b>	<b>81,339</b>	<b>324,142</b>
<b>Administrative expenses</b>		
Audit fees	7,442	8,934
Depreciation	2,860	5,106
Motor vehicle running expenses	5,025	9,618
Director's salary	121,090	115,521
Wages and salaries	67,170	67,679
Marketing expenses	-	12,139
Travel and entertainment	20,128	41,140
Telecommunication expenses	9,691	26,225
Professional fees	5,601	18,135
Postages and courier expenses	301	6,542
Insurance expenses	-	832
Office expenses	-	6,891
Office rent	17,500	30,744
Training expenses	-	20,700
Stationery expenses	-	1,821
Subscriptions	3,304	4,324
Water and electricity	5,262	17,134
Exchange variations	38,385	1,440
	<b>303,759</b>	<b>394,925</b>
<b>Operating loss for the financial year</b>	<b>(222,420)</b>	<b>(70,783)</b>