Company Registration Number: C75042

ADMIN GENIE LTD

Annual Report

For the year ended

31 December 2018

Independent Auditor's Report

To the Member of Admin Genie Ltd

Report on the Audit of the Financial Statements

We have audited the financial statements of Admin Genie Ltd (the company), set out on pages 6 to 15, which comprise the balance sheet as at 31 December 2018, the income statement, and notes to the financial statements, including a summary of significant accounting policies.

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the balance sheet of the company 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 properly prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

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 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 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 directors are responsible for the other information. The other information comprises the General Information. Our opinion on the financial statements does not cover this 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 Directors

The directors are 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 directors 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Report – continued

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 director.

- Conclude on the appropriateness of the 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 fair presentation.

Independent Auditor's Report – continued

Auditor's Responsibilities for the Audit of the Financial Statements – continued

We communicate with the 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Under the Maltese Companies Act (Cap. 386) we are required to report to you if, in our opinion:

- We have not received all the information and explanations we require for our audit.
- Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.

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

Hector Spiteri
Partner

For and on behalf of
Busuttil & Micallef
Certified Public Accountants

Nr. 11, "L-Ufficcji"
Misrah 28 ta' Frar 1883
Birkirkara BKR1501
Malta

15 April 2019

Income Statement

	Note	Year ended 31 December 2018 €	2017 €
Revenue		**115,004**	93,445
Direct costs		**(53,300)**	(41,499)
Gross profit		**61,704**	51,946
Administrative expenses		**(44,745)**	(44,531)
Profit/(loss) before tax	3	**16,959**	7,415
Income tax expense		**(6,776)**	(2,265)
Profit/(loss) for the year/period		**10,183**	5,150

Balance Sheet

	Notes	As at 31 December 2018 €	2017 €
ASSETS			
Non-current assets			
Property, plant and equipment	4	**4,785**	6,683
Current assets			
Trade and other receivables	5	**17,032**	23,819
Cash and cash equivalents		**11,926**	4,562
		28,958	28,381
Total assets		**33,743**	35,064
EQUITY AND LIABILITIES			
Equity			
Share capital		**240**	240
Retained earnings		**11,890**	1,706
		12,130	1,946
LIABILITIES			
Current liabilities			
Trade and other payables	6	**14,837**	30,853
Current tax liabilities		**6,776**	2,265
		21,613	33,118
Total equity and liabilities		**33,743**	35,064

The financial statements set out on pages 6 to 15 were approved, authorised for issue and signed by the directors on 15 April 2019.

Adrian Sciberras
Director

Charlene Sciberras
Director

Notes to the Financial Statements

1 Basis of preparation

1.1 Basis of measurement and statement of compliance

The financial statements of Admin Genie Ltd ("the company") have been 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). These financial statements present information about the company as an individual undertaking

1.2 Functional and presentation currency

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

2 Significant accounting policies

2.1 Property, plant and equipment

Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that the future economic benefits that are associated with the asset will flow to the entity and the cost can be measured reliably. Property, plant and equipment are initially measured at cost comprising the purchase price, any costs directly attributable to bringing the assets to a working condition for their intended use, and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure is capitalised as part of the cost of property, plant and equipment only if it enhances the economic benefits of an asset in excess of the previously assessed standard of performance, or it replaces or restores a component that has been separately depreciated over its useful life.

After initial recognition, property, plant and equipment may be carried under the cost model, that is at cost less any accumulated depreciation and any accumulated impairment losses, or under the revaluation model, that is at their fair value at the date of the revaluation less any accumulated depreciation and any accumulated impairment losses.

After initial recognition, land and buildings are carried under the revaluation model while other items of property, plant and equipment are carried under the cost model. Revaluations are made for the entire class of land and buildings at least every five years or with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

2 Significant accounting policies – continued

2.1 Property, plant and equipment – continued

Depreciation

Depreciation is calculated to write down the carrying amount of the asset on a systematic basis over its expected useful life. Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) or the date that the asset is derecognised. The depreciation charge for each period is recognised in profit or loss.

Land is not depreciated. The rates of depreciation used for other items of property, plant and equipment are the following:

- Office equipment - 25% per annum straight line
- Furniture and fittings - 10% per annum straight line

Depreciation method, useful life and residual value

The depreciation method applied, the residual value and the useful life are reviewed on a regular basis and when necessary, revised with the effect of any changes in estimate being accounted for prospectively.

Derecognition of property, plant and equipment

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains and losses arising from derecognition represent the difference between the net proceeds (if any) and the carrying amount and are included in profit or loss in the period of derecognition.

2.2 Financial assets, financial liabilities and equity

A financial asset or a financial liability is recognised on the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially recognised at their fair value plus in the case of financial assets and financial liabilities not classified as held for trading and subsequently measured at fair value, transaction costs attributable to the acquisition or issue of the financial assets and financial liabilities.

Financial assets and financial liabilities are derecognised if and to the extent that, it is no longer probable that any future economic benefits associated with the item will flow to or from the entity.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

2 Significant accounting policies – continued

2.2 Financial assets, financial liabilities and equity

A financial instrument, or its component parts, is classified as a financial liability, financial asset or an equity instrument in accordance with the substance of the contractual arrangement rather than its legal form.

Trade and other receivables

Trade and other receivables are stated at their nominal value unless the effect of discounting is material in which case trade and other receivables are measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence of impairment.

Trade and other payables

Trade and other payables are stated at their nominal value unless the effect of discounting is material, in which case trade and other payables are measured at amortised cost using the effective interest method.

Share capital issued by the company

Ordinary shares issued by the company are classified as equity. Dividends to ordinary shareholder are debited directly to equity and are recognised as liabilities in the period in which they are declared.

2.3 Impairment

The company's property, plant and equipment and financial assets are tested for impairment.

Property, plant and equipment

The carrying amount of the company's property, plant and equipment is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised and the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation decrease to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that asset.

2 Significant accounting policies – continued

2.3 Impairment - continued

The carrying amounts of company's assets are also reviewed at each balance sheet date to determine whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss previously recognised is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment reversals are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation increase unless an impairment loss on the same asset was previously recognised in profit or loss.

Financial assets

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost or cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The amount of the loss is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost/cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

2.4 Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term investments that are held to meet short-term cash commitments rather than for investment or other purposes. Bank overdrafts, which are repayable on demand and form an integral part of the company's cash management, and are presented in current liabilities in the balance sheet.

2.5 Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that the tax arises from a transaction or event which is recognised directly in equity, in which case it is recognised in equity.

2 Significant accounting policies – continued

2.5 Income taxes – continued

Current tax is based on the taxable profit for the period, as determined in accordance with tax laws, and measured using tax rates, which have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured 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 and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The company recognises a deferred tax liability in respect of all taxable temporary differences and a deferred tax asset in respect of all deductible temporary differences except to the extent that such deferred tax liability arises from the initial recognition of goodwill or the deferred tax asset/liability arises from the initial recognition of an asset or liability which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (loss). Recognition of a deferred tax asset is however limited to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

The company re-assesses any unrecognised deferred tax asset at each balance sheet date to determine whether future taxable profit has become probable that allows the deferred tax asset to be recovered.

2.6 Income

Rendering of services

Revenue from the provision of administration services is recognised when the services are rendered.

3 Profit/(loss) before tax

Total remuneration paid to the company's auditors during the year amounts to:

	Year ended 31 December	Period ended 31 December
	2018	2017
	€	€
Audit fees	**1,800**	1,575

4 Property, plant and equipment

	Furniture & fittings €	Office equipment €	**Total** **€**
At 1 January 2018			
Cost	4,250	5,893	10,143
Accumulated depreciation	(850)	(2,610)	(3,460)
Net book amount	**3,400**	**3,283**	**6,683**
Year ended 31 December 2018			
Opening net book amount	3,400	3,283	6,683
Depreciation charge	(425)	(1,473)	(1,898)
Closing net book amount	2,975	1,810	4,785
At 31 December 2018			
Cost	4,250	5,893	10,143
Accumulated depreciation	(1,275)	(4,083)	(5,358)
Net book amount	**2,975**	**1,810**	**4,785**

5 Trade and other receivables

	2018 **€**	2017 €
Trade receivables	**11,801**	17,407
Amount receivable from related party (Note)	**4,965**	-
Prepayments	**266**	6,412
	17,032	23,819

Note:

Amount receivable from related party is unsecured, interest free and is repayable on demand.

6 Trade and other payables

	2018 €	2017 €
Trade payables	**3,046**	10,070
Amounts due to related parties (Note)	**6,662**	15,336
Amount due to parent company (Note)	**509**	1,000
Other payables	**2,037**	2,872
Accruals	**2,583**	1,575
	14,837	30,853

Note:

Amounts due to related parties and parent company are unsecured, interest free and repayable on demand.

7 Related party disclosure

7.1 *Relationships between parents and subsidiaries*

Business Concept International plc, address of which is Abacus Business Centre, Level 1, Dun Karm Street, B'Kara Bypass, Birkirkara BKR 9037, Malta is the entity which draws up consolidated financial statements of the smallest body of entities which it forms part as a subsidiary.

7.2 *Transactions with related parties*

Period end balances owed to parent company and related parties, resulting mainly in connection with advances and dividends transactions, are disclosed in notes 6 and 7 to these financial statements.

The following transactions were carried out with related parties:

	2018 €	2017 €
a) Rendering of services		
Related party	**6,934**	15,329
b) Amounts due from related party		
Opening balance	-	123
Rendering of services	-	-
Repayments	-	(123)
Closing balance	-	-

7 Related party disclosure – continued

	2018	2017
	€	€
c) Amounts due to parent company		
Opening balance	**1,000**	9,000
Repayments	**(491)**	(8,000)
Closing balance	**509**	1,000
d) Amounts due to related parties		
Opening balance	**(15,336)**	(515)
Advances during the year/period	**(6,435)**	(14,889)
Repayments	**15,109**	68
Closing balance	**(6,662)**	(15,336)

Direct costs

	Year ended 31 December	Period ended 31 December
	2018	2017
	€	€
Other direct expenses	**9,406**	8,975
Salaries	**43,894**	32,524
Total direct costs	**53,300**	41,499

Administrative expenses

	Year ended 31 December	Period ended 31 December
	2018	2017
	€	€
Accountancy fees	**1**	600
Advertising	**4,453**	6,383
Audit fees	**1,800**	1,575
Bad debt provision	**2,400**	1
Bank charges	**148**	85
Cleaning	**450**	260
Consulting fees	**-**	100
Depreciation	**1,899**	1,898
Entertainment	**-**	310
General Expenses	**-**	927
Insurance	**260**	347
IT expenses	**1023**	600
Motor vehicle expenses	**905**	936
Other expenses	**1655**	128
Printing and stationery	**911**	853
Professional fees	**3,149**	385
Registration fees	**100**	100
Rent	**18,000**	18,000
Repairs and maintenance	**298**	240
Staff costs	**152**	685
Sub-contractors	**4,522**	7,986
Subscriptions	**800**	772
Telecommunications	**1,203**	1,080
Water and electricity	**617**	281
Total administrative expenses	**44,745**	44,531