

ANNUAL REPORT

beginning of financial year: 01.01.2022

end of the financial year: 31.12.2022

business name: Baltic Finance Service Group OÜ

register code: 14425223

street, building, apartment, farm: Pärnu mnt 27-7

city: Tallinn

county: Harju maakond

postal code: 10141

telephone: +372 56123486

e-mail address: info@bfsgroup.ee

web address: www.bfsgroup.ee

Table of contents

Management report	3
The annual accounts	4
Statement of financial position	4
Income statement	5
Notes	6
Note 1 Accounting policies	6
Note 2 Cash and cash equivalents	7
Note 3 Receivables and prepayments	7
Note 4 Tax prepayments and liabilities	7
Note 5 Loan receivables	8
Note 6 Property, plant and equipment	8
Note 7 Payables and prepayments	8
Note 8 Net sales	9
Note 9 Other operating income	9
Note 10 Goods, raw materials and services	9
Note 11 Miscellaneous operating expenses	9
Note 12 Labor expense	10
Note 13 Other operating expenses	10
Note 14 Interest income	10
Note 15 Other financial income and expense	10
Note 16 Related parties	10
Signatures	11

Management report

Balti Finance Tenuse Group OÜ was created in 2018 with professionals who have more than 10 years of experience and knowledge in the economic sector. The company is focused on providing consulting services to Estonian and foreign consumers on innovative management methods and business optimization.

The turnover for 2022 is 453,131 euros, the profit was 188,813 euros.

The company has two employees with an employment contract, the board member has not been paid for his work.

The joint-stock company continues to operate.

The annual accounts

Statement of financial position

(In Euros)

	31.12.2022	31.12.2021	Note
Assets			
Current assets			
Cash and cash equivalents	203 070	45 796	2
Receivables and prepayments	52 359	4 123	3
Total current assets	255 429	49 919	
Non-current assets			
Property, plant and equipment	656	0	6
Total non-current assets	656	0	
Total assets	256 085	49 919	
Liabilities and equity			
Liabilities			
Current liabilities			
Payables and prepayments	17 353	0	7
Total current liabilities	17 353	0	
Total liabilities	17 353	0	
Equity			
Issued capital	2 500	2 500	
Retained earnings (loss)	47 419	40 309	
Annual period profit (loss)	188 813	7 110	
Total equity	238 732	49 919	
Total liabilities and equity	256 085	49 919	

Income statement

(In Euros)

	2022	2021	Note
Revenue	453 131	87 000	8
Other income	5 037	0	9
Raw materials and consumables used	-206 713	-52 000	10
Other operating expense	-35 579	-5 608	11
Employee expense	-13 912	-22 283	12
Depreciation and impairment loss (reversal)	-393	0	
Other expense	-13 396	0	13
Operating profit (loss)	188 175	7 109	
Interest income	262	1	
Other financial income and expense	376	0	15
Profit (loss) before tax	188 813	7 110	
Annual period profit (loss)	188 813	7 110	

Notes

Note 1 Accounting policies

General information

The 2022 financial statements of Baltic Finance Service Group OÜ have been prepared in accordance with Estonian Generally Accepted Accounting Principles. The basic requirements of good accounting practice are established in the Accounting Act of the Republic of Estonia, which is supplemented by guidelines issued by the Accounting Standards Board. The financial statements have been prepared in euros.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, current account balances and term deposits of up to 3 months in the balance sheet and cash flow statement.

Receivables and prepayments

Trade receivables, accrued income and other current and non-current receivables (incl. Loan receivables, deposits) are recorded at adjusted acquisition cost. An assessment is made at each balance sheet date to determine whether there is any indication that these financial assets may be impaired. If any such indication exists, the financial assets carried at amortized cost are written down to the present value of future payments expected to be received. Impairment losses are recognized as an expense in the income statement. Doubtful receivables are recognized in general administrative expenses. Bad debts have been derecognised. Receivables from previously written-down doubtful receivables are recognized as a decrease in the cost of doubtful receivables.

Plant, property and equipment and intangible assets

"Property, Plant and Equipment and Intangible Assets" shall be applied to accounting for and reporting of items of property, plant and equipment and intangible assets in the financial statements. The definition of property, plant and equipment also includes land and buildings (or a part of a building) and the rights associated with them (e.g., the right of superficies, usufruct) that the entity uses in its operations (whether for production, provision of services or as an administrative building).

If an item of property, plant and equipment is produced over a longer period of time and it is financed with a loan or other debt instrument, the borrowing costs directly attributable to the production of the item of property can be capitalised in the acquisition cost of the given item.

In the balance sheet, an item of property, plant and equipment shall be carried at cost less accumulated depreciation and any impairment losses.

Minimal acquisition cost 1000

Revenue recognition

Revenue shall be measured at the fair value of the consideration received or receivable

As a rule, revenue is recognised separately for each transaction, but in certain circumstances it is appropriate to recognise revenue for separately identifiable components of a transaction. For example, when the sales price of a product includes after-sale service related to the product whose substance and timing are determined in the agreement, the service portion shall be accounted for as income at the time of rendering the service.

Revenue from the rendering of services shall be recognised by reference to the stage of completion of the service to be rendered at the reporting date, assuming that the outcome of the transaction (i.e. revenue and expenses relating to the transaction) involving the rendering of services can be estimated reliably. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied: (a) the amount of revenue can be measured reliably; (b) it is probable that the economic benefits (e.g. receipt of revenue) associated with the transaction will flow to the entity; (c) the stage of completion of the transaction at reporting date can be measured reliably; and (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of actual expenses related to performing the contract assuming that it is probable that the service provider is able to at least recover the costs incurred for the rendering of the service. When it is improbable that the provider of a service is able to at least recover the costs incurred for the provision of a service, revenue from the provision of a service shall not be recognised.

When it is probable that total service costs will exceed total service revenue, the expected loss shall be recognised immediately in full

Note 2 Cash and cash equivalents

(In Euros)

	31.12.2022	31.12.2021
Bank account	200 570	43 296
Cash	2 500	2 500
Total cash and cash equivalents	203 070	45 796

Note 3 Receivables and prepayments

(In Euros)

	31.12.2022	Within 12 months
Accounts receivable	18 511	18 511
Tax prepayments and receivables	712	712
Loan receivables	33 000	33 000
Other receivables	136	136
Interest receivables	136	136
Total receivables and prepayments	52 359	52 359
	31.12.2021	Within 12 months
Other receivables	4 123	4 123
Accrued income	4 123	4 123
Total receivables and prepayments	4 123	4 123

Note 4 Tax prepayments and liabilities

(In Euros)

	31.12.2022		31.12.2021
	Tax prepayments	Tax liabilities	Tax prepayments
Value added tax	100		
Personal income tax		125	
Social tax		385	
Contributions to mandatory funded pension		23	
Prepayment account balance	612		0
Total tax prepayments and liabilities	712	533	0

Note 5 Loan receivables

(In Euros)

	31.12.2022	Within 12 months	Interest rate	Base currencies	Due date
juriidiline isik	33 000	33 000	3.5%	EUR	31.12.2023
Loan receivables	33 000	33 000	3,5%	EUR	31.12.2023

Note 6 Property, plant and equipment

(In Euros)

		Total
	Other machinery and equipment	
Acquisitions and additions	1 049	1 049
Depreciation	-393	-393
31.12.2022		
Carried at cost	1 049	1 049
Accumulated depreciation	-393	-393
Residual cost	656	656

Note 7 Payables and prepayments

(In Euros)

	31.12.2022	Within 12 months
Trade payables	14 134	14 134
Employee payables	2 095	2 095
Tax payables	533	533
Other payables	591	591
Other accrued expenses	591	591
Total payables and prepayments	17 353	17 353
	31.12.2021	Within 12 months
Trade payables	0	0

Note 8 Net sales

(In Euros)

	2022	2021
Net sales by geographical location		
Net sales in European Union		
France	59 896	0
Cyprus	64 194	40 000
Romania	30 712	0
Estonia	3 600	0
Total net sales in European Union	158 402	40 000
Net sales outside of European Union		
United Kingdom	224 583	47 000
Canada	70 146	0
Total net sales outside of European Union	294 729	47 000
Total net sales	453 131	87 000
Net sales by operating activities		
Business consulting	453 131	87 000
Total net sales	453 131	87 000

Note 9 Other operating income

(In Euros)

	2022	2021
Profit from exchange rate differences	5 037	0
Total other operating income	5 037	0

Note 10 Goods, raw materials and services

(In Euros)

	2022	2021
Subcontracting work	-206 713	-52 000
Total goods, raw materials and services	-206 713	-52 000

Note 11 Miscellaneous operating expenses

(In Euros)

	2022	2021
Leases	-13 344	-4 200
Miscellaneous office expenses	-5 069	-1 408
Travel expense	-8 088	0
Juridical service	-9 078	0
Total miscellaneous operating expenses	-35 579	-5 608

Note 12 Labor expense

(In Euros)

	2022	2021
Wage and salary expense	10 398	0
Social security taxes	3 514	0
Total labor expense	13 912	22 283
Average number of employees in full time equivalent units	2	1

Note 13 Other operating expenses

(In Euros)

	2022	2021
Loss from exchange rate differences	-10 333	0
Fines, penalties and compensations	-7	0
Bank commission fee	-785	0
Other	-2 271	0
Total other operating expenses	-13 396	0

Note 14 Interest income

(In Euros)

	2022	2021
Interest income from loans	262	1
Total Interest income	262	1

Note 15 Other financial income and expense

(In Euros)

	2022	2021
Profit (loss) from exchange rate differences	376	0
Total other financial income and expense	376	0

Note 16 Related parties

(In Euros)

Remuneration and other significant benefits calculated for members of management and highest supervisory body		
	2022	2021
Remuneration	0	4 124