

**"VIRGIN GROUP BULGARIA" Ltd**

ID: 200987896

***FINANCIAL REPORT***  
for the year by 31.12.2012

**INDEPENDENT AUDITOR'S REPORT**

**Balance Sheet**  
**Profit & Loss Statement**  
**Cash Flows Statement**  
**Equity Statement**  
**Disclosure**

**Manager:**

**IVAILO IVANOV**



**Accountant:**

**LUDMILA SLAVKOVA**

Sofia, 31 march 2013

# **KO AUDIT LTD**

*Audit company*

## **INDEPENDENT AUDITOR'S REPORT**

**To the management of**

### **"VIRGIN GROUP BULGARIA" Ltd Report of the Financial Statements**

We have audited the accompanying financial statement of **"VIRGIN GROUP BULGARIA" Ltd**, which comprise the balance sheet as at December, 31, 2012, and the profit and loss statement, equity statement, and cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

#### *Management's Responsibility for the financial statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

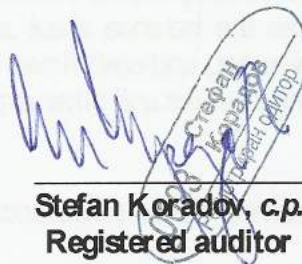
# KO AUDIT LTD

Audit company

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements present fairly, in all material respects the financial position of "**VIRGIN GROUP BULGARIA**" Ltd as of December 31, 2012, and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.



**Stefan Koradov, c.p.a.,**  
**Registered auditor**

June 10, 2013  
Burgas  
Bulgaria



**"VIRGIN GROUP BULGARIA" Ltd**

**ID: 200987896**

**Balance Sheet**

**31.12.2012**

BGN '000

ASSETS	2012	2011	LIABILITIES	2012	2011
<b>A. Fixed Assets</b>	<b>5</b>	<b>1</b>	<b>A. Equity</b>	<b>85</b>	<b>20</b>
<b>I. Tangible Assets</b>	<b>5</b>	<b>1</b>	<b>I. Accrued Profit/Loss from previous periods</b>	<b>-</b>	<b>2</b>
Machines and production equipment	5		incl:		2
Other Tangible Assets		1	- Retained earnings		2
<b>B. Current (Short-term) Assets</b>	<b>122</b>	<b>33</b>	<b>II. Profit/Loss for the current period</b>	<b>85</b>	<b>18</b>
<b>I. Receivables</b>	<b>79</b>	<b>2</b>	<b>B. Liabilities (short term)</b>	<b>43</b>	<b>14</b>
Trade receivables	19	1	Liabilities to suppliers	30	11
Other receivables	60	1	Liabilities to employees		1
- more than 1 year	60	1	Liabilities for social security	1	
<b>II. CashFlow</b>	<b>43</b>	<b>31</b>	Taxes and state subsidies payable	11	2
Cash in hand	1	31	Other liabilities	1	
Cash at banks	42				
<b>C. Deferred expenses</b>	<b>1</b>				
<b>Total Assets</b>	<b>128</b>	<b>34</b>	<b>Total liabilities</b>	<b>128</b>	<b>34</b>

Sofia, 31 march 2013

Accountant:

LUDMILA SLAVKOVA

Manager:

IVAYLO IVANOV

Registered auditor:

STEFAN KORADOV, c.p.a.



# "VIRGIN GROUP BULGARIA" Ltd

ID: 200987896

## Cash Flows Statement 2012

BGN '000

Items	2012			2011		
	Incomings	Payments	Net cash flow	Incomings	Payments	Net cash flow
<b>A. Cash Flow from Operating Activities</b>	<b>448</b>	<b>416</b>	<b>32</b>	<b>127</b>	<b>97</b>	<b>30</b>
Trade cash flows	448	300	148	126	88	38
Cash flow related to employment relations		36	(36)		8	(8)
Cash flow related to interests, commissions, dividends, etc		2	(2)		1	(1)
Cash flow related to profit divisions		2	(2)			-
Other cash flows from operating activities		76	(76)	1		1
<b>B. Cash Flow from Investing Activities</b>	<b>-</b>	<b>20</b>	<b>(20)</b>	<b>-</b>	<b>1</b>	<b>(1)</b>
Cash flow from fixed assets					1	(1)
Cash flow from interests, commissions, dividends, etc		20	(20)			
<b>C. Net increase (decrease) in cash flow \A+B\</b>	<b>448</b>	<b>436</b>	<b>12</b>	<b>127</b>	<b>98</b>	<b>29</b>
<b>D. Cash and cash equivalents at the begin of the period</b>			<b>31</b>			<b>2</b>
<b>E. Cash and cash equivalents at the end of the period</b>			<b>43</b>			<b>31</b>

Sofia, 31 march 2013

Accountant:

LUDMILA SLAVKOVA

Manager:

IVAILO IVANOV

Registered auditor:

STEFAN KORADOV, c.p.a.



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Trade cash flows	448	300	148	126	88	38
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Other cash flows from operating activities		76	(76)	1		1
<b>B. Cash Flow from Investing Activities</b>	<b>-</b>	<b>20</b>	<b>(20)</b>	<b>-</b>	<b>1</b>	<b>(1)</b>
Cash flow from fixed assets					1	(1)
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Sofia, 31 march 2013

Accountant:

LUDMILA SLAVKOVA

Manager:

IVAILO IVANOV

Registered auditor:

STEFAN KORADOV, c.p.a.



**"VIRGIN GROUP BULGARIA" Ltd**

**ID: 200987896**

**EQUITY STATEMENT  
2012**

BGN '000

Items	Capital	Financial result from previous year		Current Profit/Losses	Total Equity
		Retained Earnings	Uncovered Loss		
1. Balance in the beginning of the period under review		20	-		20
2. Financial result for the current year				85	85
3. Profit Division incl.: dividends		(20)			(20)
		(20)			(20)
4. Revaluation of equity as of December 31 of the current year		-	-	85	85

Sofia, 31 march 2013

Accountant:

LUDMILA SLAVKOVA

Manager:

IVAILO IVANOV

Registered auditor:

STEFAN KORADOV, c.p.a.

