

"VIRGIN GROUP BULGARIA" Ltd

ID: 200987896

FINANCIAL REPORT for the year by 31.12.2013

INDEPENDENT AUDITOR'S REPORT

Balance Sheet

Profit & Loss Statement

Cash Flows Statement

Equity Statement

Disclosure

Manager:

IVAILO IVANOV



Accountant:

LUDMILA SLAVKOVA

A handwritten signature in blue ink, appearing to read "Ludmila Slavkova".

Sofia, 30 march 2014

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, 2013, 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, 2013, 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

May 12, 2014
Burgas
Bulgaria

"VIRGIN GROUP BULGARIA" Ltd

ID: 200987896

Balance Sheet 31.12.2013

BGN '000

ASSETS	2013	2012	LIABILITIES	2013	2012
A. Fixed Assets	8	5	A. Equity	206	85
I. Tangible Assets	8	5	I. Accrued Profit/Loss from previous periods	85	-
Machines and production equipment	5	5	incl:	85	-
Other Tangible Assets	3		- Retained earnings	85	
B. Current (Short-term) Assets	388	122	II. Profit/Loss for the current period	121	85
I. Receivables	348	79	B. Liabilities (short term)	161	43
Trade receivables	337	19	Liabilities to suppliers	142	30
Other receivables	11	60	Liabilities to employees		
- more than 1 year	11	60	Liabilities for social security		1
II. CashFlow	40	43	Taxes and state subsidies payable	19	11
Cash in hand	12	1	Other liabilities	-	1
Cash at banks	28	42	C. Liabilities (long term)	29	-
C. Deferred expenses	-	1	Liabilities to bank	29	-
Total Assets	396	128	Total liabilities	396	128

Sofia, 30 march 2014

Accountant: 
LUDMILA SLAVKOVA

Manager: 
IVAILO IVANOV

Registered auditor: 
STEFAN KORADOV, c.p.a.



"VIRGIN GROUP BULGARIA" Ltd

ID: 200987896

Profit & Loss Statement 2013

BGN `000

EXPENSES	2013	2012	REVENUES	2013	2012
A. EXPENSES	582	218	A. REVENUES	716	312
I. Expenses for Operating Activities	577	215	I. Incomes from the Operating Activities	716	312
Expenses for raw materials and outside services, incl	455	102	Net income from sales	716	312
a) raw materials	29	23	Merchandise	8	73
b) outside services	426	79	Services	708	239
Payroll expenses	57	38			
a) Salaries & Wages	49	32			
b) Payroll taxes, incl	8	6			
Amortization	2	-			
Other expenses	63	75			
a) balance value of assets sold	8	56			
II. Expenses for interests and other financial costs	5	3			
B. Profit from the major business activity	134	94			
C. Profit Before Taxes	121	94			
III. Corporation Taxes	13	9			
D. Profit	121	85			
Grand Total	716	312	Grand Total	716	312

Sofia, 30 march 2014

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"VIRGIN GROUP BULGARIA" Ltd

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Cash Flows Statement 2013

BGN `000

Items	2013			2012		
	Incomings	Payments	Net cash flow	Incomings	Payments	Net cash flow
A. Cash Flow from Operating Activities	747	776	(29)	448	416	32
Trade cash flows	682	661	21	448	300	148
Cash flow related to employment relations	1	54	(53)		36	(36)
Cash flow related to interests, commissions, dividends, etc		5	(5)		2	(2)
Cash flow related to profit divisions		20	(20)		2	(2)
Other cash flows from operating activities	64	36	28		76	(76)
B. Cash Flow from Investing Activities	-	3	(3)	-	20	(20)
Cash flow from fixed assets		3	(3)			
Cash flow from interests, commissions, dividends, etc		-	-		20	(20)
C. Net increase (decrease) in cash flow \A+B\	776	779	(3)	448	436	12
D. Cash and cash equivalents at the begin of the period			43			31
E. Cash and cash equivalents at the end of the period			40			43

Sofia, 30 march 2014

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"VIRGIN GROUP BULGARIA" Ltd

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**EQUITY STATEMENT
2013**

BGN `000

Items	Capital	Financial result from previous year		Current Profit/Loss	Total Equity
		Retained Earnings	Uncovered Loss		
<i>1. Balance in the beginning of the period under review</i>		85	-		85
3. Financial result for the current year				121	121
<i>4. Revaluation of equity as of December 31 of the current year</i>		85	-	121	206

Sofia, 30 march 2014

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Manager:

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