



FINANCIAL STATEMENTS

ANNUAL FINANCIAL REPORTS AND STATEMENTS

2018

FINANCIAL STATEMENTS AND REPORTS

No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of Lerteco Asset.

LERTECO ASSET

- Harju maakond, Tallinn, Kesklinna linnaosa, Narva mnt 5, Estonia, 10117.
- Sweden: Hantvekargatan 4, 112 21 stockholm, Sweden.
- Poland: Bursztynowa 20, 05-800 Pruszkow, Poland.
- Denmark: Strandvejen 248, 2920 Charlottenlud, Denmark.
- info@lertecoasset.com
- www.lertecoasset.com

CORRESPONDENTS (AFFILIATES) & ADDRESS:

FINS Insurance LLC
Pori, Finland.
www.finsinsurance.com

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

- **COMPANY INFORMATION**
- **REPORT OF THE DIRECTOR**
- **PROFIT AND LOSS ACCOUNT**
- **BALANCE SHEET**
- **NOTES TO THE FIN. STATEMENTS**
- **TRADING AND PROFIT AND LOSS ACCOUNT**

COMPANY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2018

ACCOUNT OFFICER:

Acc. Bahadir Louca G.

REGISTERED OFFICE ADDRESS:

Harju maakond, Tallinn, Kesklinna linnaosa,
Narva mnt 5, Estonia, 10117.

Sweden: Hantvekargatan 4, 11221 stockholm, Sweden

Poland : Bursztynowa 20, 05-800 Pruszkow, Poland

Strandvejen 248, 2920 Charlottenlud, Denmark

REGISTRATION NUMBER:

HE 14162597

INSURER:

FINSURANCE - FINS Insurance LLC

Pori, Finland.

www.finsinsurance.com

REPORT OF THE MANAGING DIRECTOR
FOR THE YEAR ENDED DECEMBER 31, 2018

The Account Officer presents his report with the financial statements of the company for the period through the year ended December 31, 2018.

INCORPORATION

The company, Lerteco Asset LLC was incorporated on the 5 day of April, 2017.

EVENTS SINCE THE END OF THE PERIOD

Information – all and needful relating to events since the end of the period is clearly outlined in the notes to the financial statements.

Account Officer

Acc. Bahadir Louca G. was appointed as the director of management on the 25th day of December, 2017 and held office during the whole of the period from then till the period of this publication.

The director, being eligible, offers himself for election at the forthcoming Annual General Meeting.

This report has been fully prepared in accordance with the Companies Law, Cap. 113 Section 15 – 10 of the Republic of Cyprus.

ON BEHALF OF THE BOARD AND MANAGEMENT:

Acc. Bahadir Louca G.

Account Officer,
Lerteco Asset LLC

December 25, 2018

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2018

| | Notes | U.S Dollars (USD) x 1,000,000 |
|---|-------|----------------------------------|
| TURNOVER | | - |
| Operational Expenses | | 0.5665 |
| GROSS LOSS | | 0.5665 |
| Administrative Expenses | | 0.7925 |
| OPERATING LOSS AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | 2 | 1.359 |
| Tax on Loss on Ordinary Activities | 3 | - |
| LOSS FOR THE FINANCIAL PERIOD | | 1.359 |

BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2018

| | Notes | U.S Dollars (USD) x 1,000,000 | U.S Dollars (USD) x 1,000,000 |
|--|-------|----------------------------------|----------------------------------|
| FIXED ASSETS | | | |
| Intangible Assets | 4 | | 62.7865 |
| Tangible Assets | 5 | | 10.6055 |
| | | | <u>73.3920</u> |
| CURRENT ASSETS | | | |
| Debtors | 6 | 10.3770 | |
| Cash Reserved | | 35.8745 | |
| | | <u>46.2515</u> | |
| CREDITORS | | | |
| Amounts fall due within one year | 7 | 84.0015 | |
| | | <u>84.0015</u> | |
| NET CURRENT LIABILITIES | | | <u>74.7500</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>1.358</u> |

BALANCE SHEET CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2018

CAPITAL AND RESERVES

| | | |
|-------------------------|---|-------|
| Called up Share Capital | 8 | 0.001 |
| Profit and Loss Account | 9 | 1.359 |

SHAREHOLDER'S FUNDS

1.358

The company is entitled to exemption from audit under Section 376 of the Companies Law for the period through the year ended December 31, 2018.

The members have not required the company to obtain an audit of its financial statements for the period through the year ended December 31, 2018.

The managing director acknowledges his responsibilities for:

- Ensuring that the sole company keeps accounting records which comply with the corresponding sections of the Companies Law and
- Preparing financial statements which give a transparent view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements in the also corresponding sections and which otherwise comply with the requirements of the Companies Law relating to the financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 18 of the Companies Law relating to financial institutions and with the Financial Reporting Standard for big entities.

The financial statements were approved and authorised for issue and publication on December 25, 2018 and was signed and endorsed by:

Acc. Bahadir Louca G.

Account Officer,
Lerteco Asset LLC

- **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The financial statements have been prepared on the ongoing concern basis which assumes that the company will continue business for the foreseeable future

The validity of the assumption is supported by the base fact that during April of the same year as that of this report, the company raised additional capital of 7,609,000 USD through the issue of new share capital.

Accounting convention

The financial statements have been under the historical cost convention and in full accordance with the Financial Reporting Standard for big entities.

Development Costs

Costs incurred for the for the development of software platforms and systems are capitalized on the balance sheet space in the intangible fixed assets.

No amortization charge has been made for the period because the asset has not been brought into use as at the 31st December 2018.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | | |
|-----------------------|---|-------------|
| Fixtures and fittings | - | 25% on cost |
| Computer equipment | - | 33% on cost |

Deferred tax

Deferred tax is recognized in respect of all timing differences that have originated but not reversed at the balance sheet date.

NOTES TO THE FIN. STATEMENTS CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2018

Hire purchases and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease period

- OPERATING LOSS**

The operating loss is stated after charging – crediting:

| | | |
|------------------------------|---|------------------------------|
| Depreciation – owned assets | - | 1.0005 x 10 ⁶ USD |
| Foreign exchange differences | - | 165 |

Director's remuneration and other benefits etcetera.

- TAXATION**

Analysis of the tax charge

No liability to Cyprus corporation tax arose on ordinary activities for the period.

- INTANGIBLE FIXED ASSETS**

| COST | Development Costs – USD x 1,000,000 |
|-----------------------|--|
| Additions | 62.7865 |
| At December 31, 2018 | 62.7865 |
| <hr/> | |
| NET BOOK VALUE | |
| At December 31, 2018 | 62.7865 |
| <hr/> | |

NOTES TO THE FIN. STATEMENTS CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2018

• **TANGIBLE FIXED ASSETS**

| COST | Fixtures and fittings – USD | Computer equip. – USD | Development Costs – USD x 1,000,000 |
|-----------------------|------------------------------------|------------------------------|--|
| Additions | 0.997 | 10.063 | 11.6060 |
| At December 31, 2018 | 0.997 | 10.063 | 11.6060 |
| DEPRECIATION | | | |
| Additions | 0.125 | 0.8755 | 1.0005 |
| At December 31, 2018 | 0.125 | 0.8755 | 1.0005 |
| NET BOOK VALUE | | | |
| At December 31, 2018 | 0.872 | 9.7335 | 10.6055 |

• **DEBTORS: AMOUNTS FALL DUE WITHIN ONE YEAR**

| | U.S Dollars (USD) x 1,000,000 |
|-----------------------|--|
| VALUE ADDED TAX (VAT) | 10.3770 |

NOTES TO THE FIN. STATEMENTS CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2018

• **CREDITORS: AMOUNTS FALL DUE WITHIN ONE YEAR**

| | U.S Dollars (USD) x 1,000,000 |
|----------------------------|--|
| Social Security and Others | 12.8150 |
| Director's Loan Acc. | 40.705 |
| Accrued Expenses | 30.4815 |
| | 84.0015 |

• **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

| Number | Class | Nominal Value (USD) 10⁶ | U.S Dollars (USD) x 1,000,000 |
|---------------|--------------|---|--|
| 1,000,000 | Ordinary | 1 | 1 |

• **RESERVES**

| | Profit and Loss Acc. – USD x 1,000,000 |
|------------------------|---|
| Deficit for the period | 1.359 |
| At December 31, 2018 | 1.359 |

TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2019

| | U.S Dollars (USD) x 1,000,000 | U.S Dollars (USD) x 1,000,000 |
|----------------------|----------------------------------|----------------------------------|
| Income | | - |
| Cost of sales | | |
| Direct Costs | | 0.5400 |
| | | <hr/> |
| GROSS LOSS | | 0.5400 |
| | | <hr/> |
| Expenditure | 0.7805 | 0.7805 |
| | <hr/> | |
| Finance costs | | |
| Other charges | | 0.0385 |
| | | <hr/> |
| NET LOSS | | 1.359 |
| | | <hr/> |

- **POST BALANCE SHEET EVENTS** – DURING APRIL 2018, THE COMPANY RAISED ADDITIONAL CAPITAL OF 7,609,000 USD THROUGH THE ISSUE OF NEW SHARE CAPITAL

TARGET REVENUE FOR NEXT YEAR
FOR THE YEAR ENDED DECEMBER 31, 2018

TARGET REVENUE FOR YEAR - 2019

| | Banking | Investments | MERCO | Real Estate | Affiliate Programs | Total |
|----------------------------|---------|-------------|-------|-------------|--------------------|-------|
| Value (Million USD) | 2.78 | 1.75 | 6.55 | 2.07 | 2.35 | 15.50 |
| Value (Percent - %) | 17.93 | 12.29 | 42.25 | 13.35 | 14.18 | 100 |

In the board meeting held on the 31st day of December 2018, emphasis was laid on the need for more advancement and improvement in our trading sector as it stimulates other sectors simultaneously.

For the year 2019, we have targeted a total of **15.50 Million USD** profit (after tax) with a whopping **17.93%** of this gross total coming from the banking sector alone. For this, things have been put together in the needed places to facilitate this.

This is our shared value and we hope to deliver the best of our services to our shareholders, unbridled and without compromises.

DISCLAIMER

Trading foreign currencies as well as involvement with financial commodities and securities can be a challenging and potentially profitable opportunity for investors. However, before deciding to participate in the Forex market, you should carefully consider your investment objectives, level of experience, and risk appetite. Most importantly, do not invest money you cannot afford to lose.

There is considerable exposure to risk in any foreign exchange transaction. Any transaction involving currencies involves risks including, but not limited to, the potential for changing political and/or economic conditions that may substantially affect the price or liquidity of a currency. Investments in foreign exchange speculation may also be susceptible to sharp rises and falls as the relevant market values fluctuate.



LERTECO ASSET LLC

Harjoniemi 1, Tallinn, Kesklinna linnaosa, Narva mnt 5, Estonia, 10117