

BYTERIVERS LTD.

ANNUAL REPORT

**for the year ended
31st December 2023**

Company Registration Number: C-105729

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For the year ended 31st December 2023

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General information

Registration

Byterivers Ltd. is registered in Malta as a limited liability company under the Companies Act, (Cap. 386) with registration number C-105729

Principal activities

The company has been dormant during a financial year ended December 31 2023 .

Performance review

The company registered a loss after tax of Euro1,195

Directors

Giorgi Kakashvili

Company secretary

Giorgi Kakashvili

Registered office

Room 4, Office 18, Block 19, Vincenti buildings
Strait street
Valletta VLT 1432
Malta

Auditor

Michael Asciak
Hedera, Bramble Garlands,
Triq Wied Ghollieqa,
Kappara,
Malta

Director's Responsibilities**For the year ended 31st December 2023**

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- adopt the going concern basis unless it is inappropriate to presume that the Company will continue in the business;
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relating to the accounting period on the accruals basis;
- value separately the components of asset and liability items; and
- report comparative figures corresponding to those of the preceding accounting period.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act (Cap. 386) enacted in Malta. This responsibility includes designing, implementing and maintaining 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. The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Sole Director on 30 September 2024 by:

Giorgi Kakashvili
Director



INCOME STATEMENT**For the year ended 31st December 2023**

	Notes	2023 €
Administrative expenses		(1,195)
Finance income		-
Finance costs		-
Loss before taxation	3	<u>(1,195)</u>
Income tax expense		-
Loss for the year		<u><u>(1,195)</u></u>

The accompanying notes are an integral part of these financial statements.

BALANCE SHEET
31st December 2023

	Notes	2023 €
ASSETS		
Current assets		
Cash and cash equivalents		240
Total current assets		<u>240</u>
TOTAL ASSETS		<u><u>240</u></u>
EQUITY AND LIABILITIES		
Equity		
Capital and reserves		
Share capital	4	240
Retained earnings		(1,195)
Total equity		<u>(955)</u>
Liabilities		
Current liabilities		
Other payables	5	1,195
Income tax payable		-
Total current liabilities		<u>1,195</u>
Total liabilities		<u>1,195</u>
TOTAL EQUITY AND LIABILITIES		<u><u>240</u></u>

The accompanying notes are an integral part of these financial statements.

The financial statements are approved by the Sole Director on 30th September 2024

Giorgi Kakashvili
 Director



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st December 2023

1. Basis of Preparation

1.1 Basis of measurement and statement of compliance

The financial statements of Byterivers Limited ("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") and in accordance with the requirements of the Companies Act (Chapter 386, Laws of Malta). The 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

1.3 Basis of Measurement

The financial statements are prepared on the historical cost basis.

2. Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Investment in Associate

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the associate but is not control or joint control over those policies.

An investment in an associate is initially measured at cost. After initial recognition, the investment in associate is measured using the cost method.

Under the cost method, the investment is measured at cost less accumulated impairment losses. Distributions received from the associate are recognised as investment income in profit or loss when the Company's right to receive the dividend is established.

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. 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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st December 2023

2. Significant Accounting Policies (Continued)

I. Trade and other receivables (excluding non-financial assets included in this line item)

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;

II. Investments

The Company classifies investments in the following categories:

a. loans and receivables;

Loans and receivables (the 'L&Rs') are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those that the Company classified as held for trading or designated on initial recognition as available for sale.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the financial asset is derecognised or impaired and through the amortisation process. When applying the effective interest rate method, the annual amortisation of any discount or premium is included with investment income over the term of the instrument, if any, so that the revenue recognised in each period represents a constant yield on the investment.

III. Trade and other payables (excluding non-financial liabilities included in this line item)

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.

IV. Bank borrowings

Subsequent to initial recognition, interest bearing loans are measured at the amortised cost using the effective interest method. Bank loans are carried at their face value due to their market rate of interest.

Subsequent to initial recognition, interest bearing bank overdrafts are carried at their face value due to their short term maturities

V. Share capital issued by the Company

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

2.3 Impairment

The Company's investment in associate and financial assets are tested for impairment.

i. Investment in associate

The carrying amounts of the Company's investment in associate are 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.

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.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31st December 2023****2. Significant Accounting Policies (Continued)***ii. Financial assets except for financial assets held for trading*

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.

Current tax is based on the taxable profit for the year, as determined in accordance with tax laws, that 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*Dividend income*

Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established.

Rendering of services

Rendering of marketing consulting services are recognised when the services are rendered.

Interest income

Interest income is recognised when the inflow of economic benefits associated with the transaction is probable and the amount of income can be measured reliably. Interest income is recognised on an accrual or time proportion basis.

2.7 Borrowing Costs

Borrowing costs, including those costs that are directly attributable to the acquisition, construction or production of qualifying assets, are recognised as an expense in profit or loss in the period in which they are incurred.

2.8 Foreign Currencies

Transactions denominated in foreign currencies are converted to the functional currency at the rates of exchange ruling on the dates on which the transactions first qualify for recognition. Monetary assets and liabilities denominated in foreign currencies at balance sheet date are translated at year end closing rates of exchange. Any exchange differences arising on the settlement or re-translation of monetary assets and liabilities are recognised in profit or loss.

3. Profit for the year

Total remuneration paid to the Company's auditors during the year is composed of:

	2023
	€
Profit for the year is stated after charging:	
Auditor's remuneration (exclusive of VAT)	<u>1,195</u>

The average number of persons employed by the Company during the year 2023 was as 0

4. Share capital

	2023
	€
Authorised	
1,200 Ordinary shares of EUR 1 each	<u>1,200</u>
	<u>1,200</u>
Issued	
1,200 Ordinary shares of EUR 1 each, 20% paid up	<u>240</u>
	<u>240</u>

5. Short-term borrowings

	2023
	€
Other payables	<u>1,195</u>

6. Related Party Transactions

6.1 Transactiona with Members of the Board of Directors

No transactions were effected with any Board members during the year under review.

6.2 Transactions with Related parties

No transactions were effected with related parties during the year under review.

For the year ended 31st December 2023**INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of Byterivers Ltd.

Report on the audit of the Financial Statements**Opinion**

I have audited the accompanying financial statements of Byterivers Ltd. (the Company) set out on pages 4 to 8, which comprise the balance sheet as at 31st December 2023, and the income statement, statement of changes in equity and cash flow statement for the period then ended, and a summary of significant accounting policies and other explanatory notes.

In my opinion, the accompanying financial statements give a true and fair view of the balance sheet of the Company as at 31st December 2023 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 Companies Act (Cap.386).

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). my responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. I am independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IEBSA Code) together with the ethical requirements that are relevant to my audit of the financial statements in accordance with the Accountancy Profession Directive issued in terms of the Accountancy Profession Act (Cap.281) in Malta and we have fulfilled our ethical responsibilities in accordance with these requirements and the IEBSA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Responsibilities of the Directors

The director is 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 statement that are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, the director is 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 directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of Financial Statements

My 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 my 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.

For the year ended 31st December 2023

Auditor's Responsibilities for the Audit of Financial Statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risk 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 my 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, misinterpretations, 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 directors.
- 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.

I 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.



Michael Ascik
Hedera, Bramble Garlands,
Triq Wied Ghollieqa
Kappara
Malta

30th September 2024

The Schedules and Appendices on the pages that follow do not form part of
the financial statements

Schedule I - Cost of sales and administrative expenses
For the year ended 31st December 2023

ADMINISTRATIVE EXPENSES

	2023 €
Audit fee	<u>1,195</u>

Digital Signatures