

FINCORE LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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FINCORE LIMITED

COMPANY INFORMATION

Directors	S K Christensen P L Popovic
Company secretary	A Volossevich
Registered number	05998321
Registered office	47 Mark Lane London EC3R 7QQ
Independent auditors	James Cowper Kreston Chartered Accountants Reading Bridge House George Street Reading Berkshire RG1 8LS

FINCORE LIMITED

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FINCORE LIMITED
REGISTERED NUMBER: 05998321

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	4	244,784	216,541
Investments	5	288,710	288,710
		<u>533,494</u>	<u>505,251</u>
Current assets			
Debtors: amounts falling due within one year	6	2,615,212	1,967,180
Cash at bank and in hand	7	344,736	997,577
		<u>2,959,948</u>	<u>2,964,757</u>
Creditors: amounts falling due within one year	8	(1,236,093)	(856,609)
Net current assets		<u>1,723,855</u>	<u>2,108,148</u>
Total assets less current liabilities		<u>2,257,349</u>	<u>2,613,399</u>
Provisions for liabilities			
Other provisions	9	(25,834)	(19,094)
		<u>(25,834)</u>	<u>(19,094)</u>
Net assets		<u><u>2,231,515</u></u>	<u><u>2,594,305</u></u>
Capital and reserves			
Called up share capital		5	5
Share premium account		7,892	500,858
Profit and loss account		2,223,618	2,093,442
		<u>2,231,515</u>	<u>2,594,305</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

FINCORE LIMITED
REGISTERED NUMBER: 05998321

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2016

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....
S K Christensen
Director

Date: 15/09/17

The notes on pages 3 to 11 form part of these financial statements.

FINCORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

1.2 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

1.3 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Amounts invoiced in advance for services are deferred to the period to which they relate.

1.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of comprehensive income over its useful economic life.

1.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

FINCORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 20% straight line
Computer equipment	- 33-50% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

1.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

1.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

1.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

FINCORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. Accounting policies (continued)

1.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

1.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

1.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.14 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

FINCORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. Accounting policies (continued)

1.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2. Employees

The average monthly number of employees, including directors, during the year was 20 (2015 - 16).

3. Intangible assets

	Goodwill £
Cost	
At 1 January 2016	104,339
At 31 December 2016	104,339
Amortisation	
At 1 January 2016	104,339
At 31 December 2016	104,339
Net book value	
At 31 December 2016	-
At 31 December 2015	-

FINCORE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

4. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2016	168,977	431,666	600,643
Additions	2,753	163,893	166,646
At 31 December 2016	<u>171,730</u>	<u>595,559</u>	<u>767,289</u>
Depreciation			
At 1 January 2016	103,609	280,493	384,102
Charge for the period on owned assets	31,497	106,906	138,403
At 31 December 2016	<u>135,106</u>	<u>387,399</u>	<u>522,505</u>
Net book value			
At 31 December 2016	<u>36,624</u>	<u>208,160</u>	<u>244,784</u>
At 31 December 2015	<u>65,368</u>	<u>151,173</u>	<u>216,541</u>

5. Fixed asset investments

	Investments in associates £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2016	88,710	200,000	288,710
At 31 December 2016	<u>88,710</u>	<u>200,000</u>	<u>288,710</u>
Net book value			
At 31 December 2016	<u>88,710</u>	<u>200,000</u>	<u>288,710</u>
At 31 December 2015	<u>88,710</u>	<u>200,000</u>	<u>288,710</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

5. Fixed asset investments (continued)

Name	Class of shares	Holding	Principal activity
Virtual Intellectual Projects UK Limited	Ordinary	27 %	Development of gaming software

The aggregate of the share capital and reserves as at 31 December 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves	Profit/(loss)
	£	£
Virtual Intellectual Projects UK Limited	(102,327)	(133,910)

6. Debtors

	2016	2015
	£	£
Trade debtors	1,313,480	837,112
Amounts owed by joint ventures and associated undertakings	-	38,718
Other debtors	184,955	151,836
Prepayments and accrued income	483,054	556,706
Tax recoverable	633,723	382,808
	2,615,212	1,967,180

7. Cash and cash equivalents

	2016	2015
	£	£
Cash at bank and in hand	344,736	997,577
	344,736	997,577

FINCORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

8. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	300,159	158,209
Other taxation and social security	155,768	92,364
Other creditors	150,125	155
Accruals and deferred income	630,041	605,881
	<u>1,236,093</u>	<u>856,609</u>

9. Provisions

	Other provision £
At 1 January 2016	19,094
Charged to profit or loss	6,740
At 31 December 2016	<u>25,834</u>

Provisions relate to anticipated dilapidations costs that will be incurred on 47 Mark Lane, London at the end of the lease term.

10. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £40,938 (2015: £80,904).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

11. Related party transactions

During the year Astria Limited, a company registered in Serbia, charged technical development and support fees and administrative expenses of £562,839 (2015: £346,694). Astria Limited is a company in which T Pelic has a 100% interest. T Pelic is a shareholder.

At the balance sheet date the company owed £nil (2015: nil) to Astria Limited.

During the year Finbet D.O.O, a company registered in Serbia, charged software support, software testing, systems support & project and resources management fees of £2,712,397 (2015: £1,731,759). Finbet D.O.O is a company in which P Popovic has a 100% interest. P Popovic is a shareholder.

At the balance sheet date the company owed £400 (2015: £nil) to Finbet D.O.O.

During the year Finvest D.O.O, a company registered in Serbia, charged project & resources management and software testing fees of £165,988 (2015: £130,230). Finvest D.O.O is a company in which T Pelic has a 100% interest. T Pelic is a shareholder.

At the balance sheet date the company owed £nil (2015: £nil) to Finvest D.O.O.

During the year the company charged Virtual Intellectual Projects UK Limited 71,485 (2015: £38,718) for expenses incurred on their behalf. The company loaned £38,006 to Virtual Intellectual Projects UK Limited in the year (2015: £85,760). Loan amounts totalling £88,754 were converted into share capital in Virtual Intellectual Projects UK Limited in the prior year and the loan amount was reclassified between other debtors and fixed asset investments. Virtual Intellectual Projects UK Limited is a company in which the company has a 27% shareholding and P Popovic is a director of both companies.

At the balance sheet date the company was owed £113,012 (2015: £113,724) by Virtual Intellectual Projects UK Limited.

During the year the company charged Drive Angel Limited £nil (2015: £nil) for expenses incurred on their behalf. The company also loaned £nil to Drive Angel Limited in the year (2015: £19,493). The loan is interest free and repayable on demand. Drive Angel Limited is a company in which P Popovic has a 100% interest in.

At the balance sheet date the company was owed £23,366 (2015: £23,366) by Drive Angel Limited.

During the year Bildabet Technology Limited, registered company number 09878384, a company with common directors, charged contract services of £69,850 (2015: £nil).

At the balance sheet date the company owed £nil (2015: £nil) to Bildabet Limited.

12. Controlling party

The directors do not consider there to be an ultimate controlling party.

13. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

FINCORE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

14. Auditors' information

The auditor's report on the full financial statements was unqualified.

The auditor's report was signed by Alexander Peal BSc (Hons) FCA DChA (Senior Statutory Auditor) for and on behalf of James Cowper Kreston, Chartered Accountants and Statutory Auditor, Reading Bridge House, George Street, Reading, Berkshire, RG1 8LS.