

Друштво за производство, трговија и услуги
ТВИНС КОНСАЛТИНГ ФМС ДООЕЛ увоз-извоз

Бр. 03-16/11
16.02 2011 год.
СКОПЈЕ

Друштво за тргови
САРАНТИС-СКОПЈЕ експорт-импорт

Бр. 024/2011
17.02 2011 год.
СКОПЈЕ



TWINS CONSULTING FMS Dooel- SKOPJE

Naum Naumovski Borce 8/a Skopje;
Tel. ++ 023239691; 070 317 117

To
The Management of
Sarantis-Skopje Doo Skopje
SKOPJE

AUDITOR'S REPORT

We have audited the accompanying financial statements of the Sarantis-Skopje Doo Skopje, Skopje which comprise the Balance Sheet as of 31 December 2010, and the Statement of Revenues and Expenses, Cash Flow Statement and Statement of Changes in Funds 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 or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.



TWINS CONSULTING Dooel Skopje

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 audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, 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.

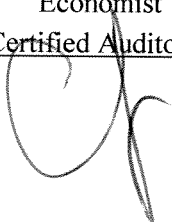
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's opinion

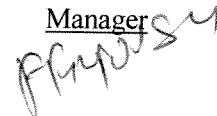
In our opinion, the financial statements of the Sarantis-Skopje Doo Skopje, give a true and fair view of the financial position of the Organization as of 31 December 2010, and its financial results, its cash flows and changes in funds for the year then ended, in accordance with the Organization Accounting Law and the General Accepted Accounting Principles for financial reporting in the country.

Skopje, 15.02.2011

Suzana Filipovska,
Economist
Certified Auditor



Filip Filipovski
Economist
Manager

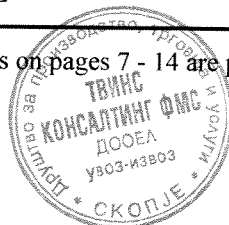


SARANTIS-SKOPJE DOO SKOPJE

BALANCE SHEET
As of 31 December

		(In MKD)	
	Note	2009	2.010
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	35.420.217	60.436.403
Other receivables	5	63.411.249	66.581.491
Goods		11.675.962	10.063.147
Active time limitations			4.272.154
Total current assets		110.507.428	141.353.195
NON-CURRENT ASSETS			
Property, plants and equipment	6	18.916.718	16.478.878
Depreciation		-14.804.692	-9.088.376
Shares			662.313
Total non-current assets		4.112.026	8.052.818
TOTAL ASSETS		114.619.454	149.406.010
LIABILITIES AND CAPITAL			
CURRENT LIABILITIES			
Liabilities for suppliers-in country	7	8.154.644	7.915.747
Liabilities for suppliers-in abroad		3.731.951	1.014.410
Liabilities for taxes		509.682	1.189.241
Total current liabilities		12.396.277	10.119.398
CAPITAL AND RESERVES			
Written capital	8	30.776.915	30.776.915
Revaluation and others reserves		11.474.586	11.474.586
Accumulated profit Account		32.319.325	59.971.676
Profit for fiscal year		27.652.351	37.063.435
TOTAL CAPITAL AND RESERVES		102.223.117	139.286.612
TOTAL LIABILITIES AND CAPITAL		114.619.454	149.406.010

Notes to the financial statements on pages 7 - 14 are part of the financial statements



SARANTIS-SKOPJE DOO SKOPJE

STATEMENT OF REVENUES AND EXPENSES
For 2010

		(In MKD)	
	Note	2009	2.010
Incomes from basic activities		142.803.618	164.886.400
Revenues from other sources		98.536	991.928
Operating expenses	12	-110.687.448	-130.042.640
OPERATING INCOME		32.214.706	35.835.688
<i>Other revenues:</i>			
Financial revenues		561.487	1.414.463
Total other revenues		561.487	1.414.463
Profit before any taxes	13	32.776.193	37.250.151
Income tax	14	244.019	186.716
Net profit for fiscal year		32.532.174	37.063.435

Notes to the financial statements on pages 7 - 14 are part of the financial statements



SARANTIS-SKOPJE DOO SKOPJE

CASH-FLOW STATEMENT

For 2010

	(In MKD)	
	2009	2010
Cash flow from operating activities		
<i>Adjusted for:</i>		
Profit before any taxes	13 32.776.193	37.250.151
Depreciation	1.447.538	1.913.220
<i>Increases (decreases) in current assets</i>		
Other receivables	-35.237.659	-6.016.296
<i>Increases (decreases) in current liabilities</i>		
Liabilities for suppliers	-5.632.593	-2.276.879
Net cash from operating activities	-6.646.521	30.870.196
Cash flow from investing activities		
Purchase (sale) of property, plant and equipment	-1.050.847	-5.854.009
Net cash from investing activities	-1.050.847	-5.854.009
Net increase (decrease) in cash	-7.697.368	25.016.187
Cash at the beginning of the year	43.117.584	35.420.216
Cash at the end of the year	35.420.216	60.436.403

Notes to the financial statements on pages 7 - 14 are part of the financial statements



SARANTIS-SKOPJE DOO SKOPJE

STATEMENT OF CHANGES IN CAPITAL For 2010

		(In MKD)
		Total
Balance as of	01.01.2010	4.112.026
Corrections for 2010		-1.913.220
Fixed assets purchased		5.191.696
Balance as of 31.12.2010		7.390.502

Notes to the financial statements on pages 7 - 14 are part of the financial statements



NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. ESTABLISHMENT AND ACTIVITY OF THE TRADE

Sarantis Skopje Doo Skopje is organization named as Trade Commercial SARANTIS-SKOPJE export-import DOO.

NOTE 2. BASIS FOR PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The financial statements of SARANTIS SKOPJE Doo are conducted in accordance with the Accounting Law, and the accepted accounting principles, practice and accounting standards for a presentation of the balance sheet items, balances of the assets, liabilities, sources of the assets, revenues and expenses, and the operating results on true, fair, confidential, complete, punctual basis.

The amounts in the statements and the notes are stated in MKD, except when otherwise indicated in the text.

NOTE 3. BASIC ACCOUNTING POLICIES

The basic accounting policies used for preparation of the financial statements are listed in the following text. The accounting polices of the Association are being adequately applied from year to year.

Cash and cash equivalents

Cash flow Statement requires presentation of the Organization's cash that comprises the cash on hand and the cash on bank account in the commercial banks.

Money at the cash account and at the bank accounts stated in domestic currency are presented in the general ledger at their nominal value, while the foreign exchange currency is stated according to the exchange rate of NBRM at the reporting date.

Cash-Flow Statement is prepared using the indirect method.

Tangible and intangible assets

Tangible and intangible assets (fixed assets) are stated at cost.

The cost of the fixed assets comprise the purchasing price increased for the import customs, VAT, manipulative expenses and all other expenses that can be added to the cost, i.e. to the purchasing expenses.



Depreciation

Tangible and intangible assets (fixed assets) are depreciated using the straight-line method, by using the official depreciation rates prescribed in the Nomenclature for depreciable assets, so their cost and revaluation are depreciated in equal annual amounts during the estimated utilization period of the fixed assets.

Тхе цалцулатион оф тхе депрециатион ис перформед сепарателс фор еач итем, анд нот фор групс оф ассетс.

Recognition of the revenues and expenses

The recognition of the revenues and expenses for organizations is based upon the accounting principle for modified presentation of the operating transactions.

The accounting principle for modified presentation of the operating transactions means recognition of the revenues and the expenses during the period of their appearance according to the criteria of measurement and disposal. Revenues, i.e. expenses are measurable when they can be stated at value. Revenues, i.e. expenses are on disposal when they are realized, i.e. when they appear (when collected, i.e. paid) during the accounting period or within 30 days after this period, used for covering this period's liabilities, i.e. the payment liability arisen during this period.

Amounts stated in foreign currency

The transactions in foreign currency are stated in MKD according to the Official exchange rate of NBRM at the date of transaction.

Foreign exchange assets and liabilities of the balance sheet are stated in MKD according to the official exchange rates on the balance sheet date.

The Income Statement includes the net foreign exchange gains and losses that resulted from the conversion of the amounts in foreign currency in the period when they occur.

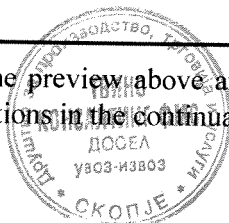
The average (closing) exchange rates of the denar related to the foreign exchange currencies (for one unit of foreign exchange currency) as of 31 December are as follows:

Currency	2010
EUR	61.505
USD	46.314
CHF	49.302

NOTE 4. CASH AND CASH EQUIVALENTS

	(In MKD)
	2010
Bank account	9.622.812
Cash	155.557
Foreign exchange account	25.858.034
Deposit	24.800.000
Total	60.436.403

Cash and cash equivalents stated in the preview above are comprised of cash and the bank account. The Association has no limitations in the continual usage of the cash.



SARANTIS-SKOPJE DOO SKOPJE

Foreign exchange account		25.858.034
Deposit		24.800.000
Total	4	60.436.403

Cash and cash equivalents stated in the preview above are comprised of cash and the bank account. The Association has no limitations in the continual usage of the cash.

NOTE 5. OTHER RECEIVABLES

(In MKD)

		2010
Receivables from the customers		34.829.607
Other receivables funds		31.751.884
Total	5	66.581.491

NOTE 6. PROPERTY, PLANTS AND EQUIPMENT

(In MKD)

EQUIPMENT	
<i>Cost</i>	
Balance as of 31.12.2009	18.916.718
Additions for 2010	5.191.696
Correction for 2010	-7.629.536
Balance as of 31.12.2010	16.478.878

Valuation allowance

Balance as of 31.12.2009	14.804.672
Depreciation for 2010	1.913.220
Correction for 2010	-7.629.5161
Balance as of 31.12.2010	9.088.376
Carrying value as of 31.12.2009	7.390.502



SARANTIS-SKOPJE DOO SKOPJE

NOTE 7. OTHER LIABILITIES

(In MKD)

	2010
Liabilities for suppliers	7.915.747
Taxes, benefits and others	1.189.241
Total	9.104.988

NOTE 8. CAPITAL AND RESERVES

(In MKD)

	2010
Written capital -(Paid Capital)	27.516.800
Written Capital	3.260.115
Revaluation reserves	11.474.586
Accumulated profit account	59.971.676
Profit for fiscal year	37.063.435
Total	139.286.612

The balance of the operating fund as of 31 December 2010 is stated in the Statement of changes in funds.

NOTE 9. CURRENT SURPLUS OF REVENUES BASIC ACTIVITIES

(In MKD)

	2010
Commercial incomes	164.886.400
Income from surplus	1.000.901
Total	165.887.301

The total revenues of the Sarantis Doo for 2010 are in amount of 165.887 thousand denars. The most amount of the total, are received from sale of goods in the national market (164.886 thousand denars),



SARANTIS-SKOPJE DOO SKOPJE

NOTE 10. REVENUES FROM OTHER SOURCES

	(In MKD)
	2010
Other revenues	75.579
Revenues from sale of fixed assets	930.485
Total	1.006.064

NOTE 11. FINANCIAL REVENUES

	(In MKD)
	2010
Foreign exchange gains and interest incomes	414.174
Total	414.174



NOTE 12. OPERATING EXPENSES

(In MKD)

	2010
Costs for sale	84.230.529
Approvals	5.888.430
Materials	361.212
Energy, water, public taxes	1.602.380
Inventory	85.678
Transportations	672.971
Services for maintenance	755.182
Office Rental	2.705.027
Other services	3.778.965
Depreciation	1.913.220
Adjustment of the stocks	1.250.179
Expenses for employers (travel, food and other)	1.006.295
Advertising	12.139.834
Insurance	452.101
Personnel and other taxes	228.515
Bank fees and provisions	242.281
Other non- material expenses	37.742
Stock's deficits	183.230
Salaries and Contributions to employees	12.200.772
Foreign exchange gains	308.096
Extraordinary expenses (other expenses)	
Total	130.042.639

The operating expenses in 2010 are at the amount of 130.042.632 of MKD. The most significant item in the operating expenses in 2010 is the rent, other services, depreciation, travel expenses, advertising and expenses for employers-(benefits and taxes

The participation of the other items in the total sum of the operating expenses is insignificant.



NOTE 13. PROFIT BEFORE TAXES

		(In MKD)
		2010
Profit for current year before taxes	13	37.250.151
Total		37.250.151

NOTE 14. INCOME TAX

		(In thousands of MKD)
		2010
I. Profit before taxes	13	37.250.151
II. Net adjustments in the Tax Statement		
III. Surplus of revenues over expenses before taxes		37.250.151
IV. Unrecognized tax expenses (V*10%)		186.716
14		
V. Tax base after deduction		37.063.435

Measures due, Government Macedonia there is a deferred payment of profit tax, and that until the moment of payment net earning. But there is currently in force is a law that involves the payment of unrecognized tax expenses (10%). Income tax is calculated on the basis of the surplus of revenues over expenses presented in the Tax Statement. Tax base is calculated through settlement of the surplus of revenues over expenses stated in the Statement of revenues and expenses for specific expenses, which are not accepted as deductive items in Tax Statement according to the Law of profit tax, as well as for specific revenues adjustments. The indicated adjustments are permanent tax differences and do not cause deferred tax assets and deferred tax liabilities.

The income tax rate is 10% of tax base.

