

STARSCHEMA INC

MANAGEMENT ACCOUNTS

For the year ended 31 December 2022 and 31 December 2021

Starschema INC

Balance Sheet as at 31 December 2022

(All amounts in thousands except share data and as stated otherwise)

	Note No.	As at 31 December 2022 (USD)	As at 31 December 2021 (USD)
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2.1	10	-
(b) Financial Assets			
(i) Investments Carried at Cost	2.2	259	259
Total non-current assets		269	259
(2) Current assets			
(a) Financial assets			
(i) Trade receivables			
Billed	2.3	1,289	1,477
Unbilled		244	84
(ii) Cash and cash equivalents	2.4	2,691	1,155
(iii) Others	2.5	11	11
(b) Other current assets	2.6	94	93
Total current assets		4,329	2,820
TOTAL ASSETS		4,598	3,079
II. EQUITY			
(a) Equity share capital		1,500	1,500
(b) Other equity		1,768	(158)
TOTAL EQUITY		3,268	1,342
III. LIABILITIES			
(1) Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
Billed	2.7	1,030	1,165
Unbilled and accruals		167	131
(ii) Others	2.8	1	1
(b) Contract liabilities	2.9	132	354
(c) Other current liabilities	2.10	-	37
(d) Current tax liabilities (net)		-	49
Total current liabilities		1,330	1,737
TOTAL LIABILITIES		1,330	1,737
TOTAL EQUITY AND LIABILITIES		4,598	3,079
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

For and on behalf of the Board of Directors of
Starschema INC

Tamas Foldi

Tamas Foldi (Apr 12, 2023 22:13 GMT+2)

Tamas Foldi
Director

Date : 12 April 2023

Starschema INC

Statement of Profit and Loss for the year ended 31 December 2022

(All amounts in thousands except share data and as stated otherwise)

	Note No.	Year ended 31 December 2022 (USD)	Year ended 31 December 2021 (USD)
I Revenue			
Revenue from operations	2.11	7,372	4,452
Other income	2.12	437	130
Total income		7,809	4,582
II Expenses			
Purchase of stock in trade		181	7
Employee benefits expense	2.13	1,405	1,066
Finance costs	2.14	1	13
Depreciation and amortization expense		1	-
Outsourcing costs		3,762	2,414
Other expenses	2.15	466	299
Total expenses		5,816	3,799
III Profit before tax		1,993	783
IV Tax expense			
Current tax	2.16	67	66
Total tax expense		67	66
V Profit for the year		1,926	717
VI Other comprehensive income		-	-
VII Total comprehensive income for the year		1,926	717
Summary of significant accounting policies	1		

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Tamas Foldi

Director

Date : 12 April 2023

Starschema INC

Statement of Changes in Equity for the year ended 31 December 2022

(All amounts in thousands except share data and as stated otherwise)

Amount in USD

	Equity share capital	Other equity	Total Other equity
	Share capital	Retained earnings	
Balance as of 1 January 2021	1,500	(875)	(875)
Profit for the year	-	717	717
Total comprehensive income for the year	-	717	717
Dividend paid during the year	-	-	-
Balance as of 31 December 2021	1,500	(158)	(158)
Balance as of 1 January 2022	1,500	(158)	(158)
Profit for the year	-	1,926	1,926
Allocation of previous year's profit or loss	-	-	-
Other comprehensive income / (loss)	-	-	-
Total comprehensive income for the year	-	1,926	1,926
Balance as of 31 December 2022	1,500	1,768	1,768

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

For and on behalf of the Board of Directors of
Starschema INC


[Tamas Foldi \(Apr 12, 2023 22:13 GMT+2\)](#)

Tamas Foldi
Director

Date : 12 April 2023

Starschema INC

Notes to financial statements for the year ended 31 December 2022

(All amounts in thousands except share data and as stated otherwise)

Corporate information

Starschema Inc US was established by Starschema Kft Hungary in April 2018 to serve its existing American customers directly and organize the local expansion of the Group more efficiently. The function of Starschema US is to sell the “bagged” software products developed by Starschema Kft HU (software product sales) and also the Company’s software development services (service sales) in the United States. Main activity of the company is: computer consultancy activities.

Brilliant Data and Starschema INC US are registered under one the same tax number at the Internal Revenue Service of the United States federal government.

1 Summary of significant accounting policies

a) Basis of preparation

The financial report has been prepared in accordance with IND AS format with reduced Disclosure Requirements. The financial report has been prepared on an accrual basis of accounting including the historical cost convention and the going concern assumption.

b) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

c) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank

d) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less an allowance for impairment. Trade receivables are non-interest bearing and are generally due for settlement in range from 30 to 180 days.

e) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items

f) Revenue recognition

Revenue from contracts with customers is recognized when the control of goods or services is transferred to the customers, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to be that which the Company will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Starschema INC

Notes to financial statements for the year ended 31 December 2022

(All amounts in thousands except share data and as stated otherwise)

g) Trade and other payables

Trade and other payables are carried at amortized cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. These amounts are unsecured and non-interest bearing and are generally paid for settlement in range from 30 to 180 days.

h) Financial instruments

Financial assets and financial liabilities are initially recognized on the balance sheet when the Company becomes party to the contractual provisions of the instrument. Recognition is based on the trade date.

i) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognized in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

j) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

Starschema INC

Notes to financial statements for the year ended 31 December 2022

(All amounts in thousands except share data and as stated otherwise)

2.3 Trade receivable (Continued)

Trade receivables - current	Not Due	Outstanding as at 31 December 2021 from the due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed - considered good	1,331	146	-	-	-	-	1,477
Unbilled receivables							84
							1,561

2.4 Cash and cash equivalents

	As at	
	31 December 2022	31 December 2021
	(USD)	(USD)
Balance with banks - in current accounts	2,691	1,155
	2,691	1,155

2.5 Other financial assets

	As at	
	31 December 2022	31 December 2021
	(USD)	(USD)
Current		
Carried at amortized cost		
Security deposits	11	11
	11	11

2.6 Other current assets

	As at	
	31 December 2022	31 December 2021
	(USD)	(USD)
Others		
Deferred contract cost - related parties	92	92
Prepaid expenses	-	1
Withholding and other taxes	2	-
	94	93

Starschema INC

Notes to financial statements for the year ended 31 December 2022

(All amounts in thousands except share data and as stated otherwise)

2.7 Trade payables

	As at	
	31 December 2022	31 December 2021
	(USD)	(USD)
Trade payables- related parties	1,030	1,101
Trade payables-others	0	64
	1,030	1,165
Unbilled and accruals	3	77
Unbilled and accruals-related parties	164	54
	167	131
	1,197	1,296

Particulars	Not Due	Outstanding as at 31 December 2022 from the due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
		Others	867	162	-	-
Unbilled and accruals						167
						1,197

Particulars	Not Due	Outstanding as at 31 December 2021 from the due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
		Others	189	975	-	-
Unbilled and accruals						131
						1,296

2.8 Other financial liabilities

	As at	
	31 December 2022	31 December 2021
	(USD)	(USD)
Current		
Carried at amortized cost		
Other Employee Costs	1	1
	1	1

2.9 Contract Liabilities

	As at	
	31 December 2022	31 December 2021
	(USD)	(USD)
Current		
Contract liabilities	132	354
	132	354

Starschema INC

Notes to financial statements for the year ended 31 December 2022

(All amounts in thousands except share data and as stated otherwise)

2.10 Other current liabilities

	Year ended	Year ended
	31 December 2022	31 December 2021
	(USD)	(USD)
Duties & Taxes Payable		
Withholding and other taxes payable	-	37
	-	101

2.11 Revenue from operations

	Year ended	Year ended
	31 December 2022	31 December 2021
	(USD)	(USD)
Sale of services	7,035	4,267
Sale of hardware and software	337	185
	7,372	4,452

Disaggregate Revenue Information

The disaggregated revenue from contracts with the customers by contract type and as per geography is as follows:

	Year ended	Year ended
	31 December 2022	31 December 2021
	(USD)	(USD)
Fixed price	2,985	2,165
Time and material	4,387	2,287
	7,372	4,452
Geography wise		
United States of America	7,124	4,096
Hungary	232	334
Canada	16	22
	7,372	4,452

2.12 Other Income

	Year ended	Year ended
	31 December 2022	31 December 2021
	(USD)	(USD)
Miscellaneous income	437	130
	437	130

Starschema INC

Notes to financial statements for the year ended 31 December 2022

(All amounts in thousands except share data and as stated otherwise)

2.13 Employee benefits expense

	Year ended	Year ended
	31 December 2022	31 December 2021
	(USD)	(USD)
Salaries, wages and bonus	1,328	1,036
Contribution to provident fund and other employee funds	77	30
	1,405	1,066

2.14 Finance cost

	Year ended	Year ended
	31 December 2022	31 December 2021
	(USD)	(USD)
Bank charges	1	1
Interest expenses	0	12
	1	13

2.15 Other expenses

	Year ended	Year ended
	31 December 2022	31 December 2021
	(USD)	(USD)
Rent	64	46
Communication costs	8	7
Travel & Conveyance	60	15
Advertisement and business promotion	187	125
Legal and professional charges	42	69
Postage and courier	0	0
Insurance	9	4
Software license fees	22	22
Recruitment, training and development	55	0
Printing & Stationery	1	-
Rates & Taxes	15	11
Miscellaneous expenses	3	0
	466	299

2.16 Income taxes

	Year ended	Year ended
	31 December 2022	31 December 2021
	(USD)	(USD)
Income tax charged to statement of profit and loss		
Current income tax charge	67	66
	67	66

3. The Company has presented its management accounts in " USD in thousands" and accordingly, amounts less than USD 0.50 thousands are rounded off to zero.

For and on behalf of the Board of Directors of
Starschema INC

Tamas Foldi
Tamas Foldi (Apr 12, 2023 22:13 GMT+2)

Tamas Foldi

Director

Date : 12 April 2023