

NOCTURNE TRADING LIMITED
FINANCIAL STATEMENTS
31 December 2017

NOCTURNE TRADING LIMITED

REPORT AND FINANCIAL STATEMENTS

31 December 2017

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NOCTURNE TRADING LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors: Valerijs Naglis

Registered office: P.O. Box 3175, Road Town,
Tortola, BVI

NOCTURNE TRADING LIMITED

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors presents its report and financial statements of the Company for the year ended 31 December 2017.

Principal activity

The principal activity of the Company, which is unchanged from last year, is trading of industrial equipment mainly for oil & gas industry, building & construction industry and power engineering. Also the company grants loan facilities to small industrial enterprises for realization of their business projects and renders marketing and consulting services.

Results and Dividends

The Company's results for the year are set out on page 3. The Board of Directors does not recommend the payment of a dividend and the net profit for the year is retained.

Share capital

There were no changes in the share capital of the Company during the year under review.

Board of Directors

The member of the Company's Board of Directors as at 31 December 2017 and at the date of this report is presented on page 1. The sole director was a member of the Board of Directors throughout the year ended 31 December 2017.

In accordance with the Company's Articles of Association the sole director presently member of the Board continues in office.

There were no significant changes in the remuneration of the Board of Directors.

By order of the Board of Directors,



Valerijs Naglis
Director

London, UK, 04 April 2018

NOCTURNE TRADING LIMITED

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2017

	2017	2016
	USD	USD
<u>Revenue</u>		
Interest receivable	292 143	257 986
Revenue from sales	863 542	716 962
Services rendered	434 250	395 781
Exchange gain	148 632	109 875
Total revenue	1 738 567	1 480 604
<u>Expenditure</u>		
Cost of sales	(803 904)	(687 545)
Bank charges	(3 269)	(2 953)
Services received	(107 034)	(66 670)
Administrative expense and legal cost	(96 275)	(91 470)
Consulting services	(58 920)	(85 672)
Transportation charges	(81 624)	(88 463)
Marketing services	(245 000)	(126 980)
Interest payable	(165 482)	(148 624)
Donations	(15 630)	(72 410)
Exchange loss	(106 553)	(74 325)
Total expenditure	(1 683 691)	(1 445 112)
Profit & Loss for the period	54 876	35 492
Accumulated profit & loss	235 268	180 392

NOCTURNE TRADING LIMITED

STATEMENT OF FINANCIAL POSITION

31 December 2017

ASSETS	2017 USD	2016 USD
<u>Non-current assets</u>		
Non-current loans receivable	3 931 250	3 158 704
Total non-current assets	3 931 250	3 158 704
<u>Current Assets</u>		
Trade and other receivables	5 185 622	4 486 638
Other receivables	163 965	96 352
Inventory	352 710	176 205
Cash and cash equivalents	10 833	71 387
Total current assets	5 713 130	4 830 582
Total assets	9 644 380	7 989 286

EQUITY AND LIABILITIES

Equity

Share capital	50 000	50 000
Retained earnings	235 268	180 392
Total Equity	285 268	230 392

Non-current liabilities

Long-term borrowings	3 534 960	2 463 475
Trade and other payables	368 425	646 932
Total non-current liabilities	3 903 385	3 110 407

Current liabilities

Trade and other payables	5 455 727	4 648 487
Total current liabilities	5 455 727	4 648 487
Total Equity and Liabilities	9 644 380	7 989 286

Mr. Valerijs Naglis, Director



NOCTURNE TRADING LIMITED

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2017

	Share capital \$	Retained earnings \$	Total \$
Balance at 1 January 2016	50,000	144,900	194,900
Net profit for the year	–	35,492	35,492
Balance at 31 December 2016/ 1 January 2017	50,000	180,392	230,392
Net profit for the year		54,876	54,876
Balance at 31 December 2017	50,000	235,268	285,268

NOCTURNE TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2017

1. Incorporation and principal activities

Country of incorporation

The Company Nocturne Trading Ltd (the "Company") was incorporated in the British Virgin Islands on 05 April 2005 as a private limited liability Company. Its registered office is at P.O. Box 3175, Road Town, Tortola, BVI.

Principal activity

The principal activity of the Company, which is unchanged from last year, is trading of industrial equipment mainly for oil & gas industry, building & construction industry and power engineering. Also the company grants loan facilities to small industrial enterprises for realization of their business projects and renders marketing and consulting services.

2. Accounting policies

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

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU). The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Revenue recognition

Revenue comprises the invoiced amount for the sale of goods and services net of Value Added Tax, rebates and discounts. Revenues earned by the Company are recognised on the following bases:

- **Rendering of services**

Sales of services are recognised in the accounting period in which the services are rendered by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

- **Commission income**

Commission income is recognised when the right to receive payment is established.

Finance income

Finance income includes interest income which is recognised based on an accrual basis.

NOCTURNE TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2017

2. Accounting policies (continued)

Finance costs

Interest expense and other costs on borrowings to finance construction or production of qualifying assets are capitalised, during the period of time that is required to complete and prepare the asset for its intended use. All other borrowing costs are expensed.

Foreign currency translation

- (1) **Functional and presentation currency**
Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in US Dollars (\$), which is the Company's functional and presentation currency.
- (2) **Transactions and balances**
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Share capital

Ordinary shares are classified as equity.