

# **Mid Baltic Realty Limited**

**Registered in England & Wales  
Company number 3591663**

## **Unaudited Financial Statements**

**For the year ended  
31 December 2014**



## **Mid Baltic Realty Limited**

### **Directors' report for the year ended 31 December 2014**

The directors present their report and unaudited financial statements for the year ended 31 December 2014.

The directors have taken advantage of the exemption from audit conferred by section 477 of the Companies Act 2006 and the accounts for the year are unaudited.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for that year. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 2006. They 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.

#### **Principal activities**

The sole activity of the company is to act as a nominee for Mid Baltic Investments Limited, its Bermudan parent, in the acquisition and development and operation of real property in Latvia. UK registered companies are able to invest under an investment protection treaty between Latvia and the United Kingdom.

The company's activities are undertaken in a fiduciary capacity for the benefit of the parent company, and any assets and liabilities over which the company has legal title or responsibility are held in trust for its parent.

#### **Review of business**

As at 31<sup>st</sup> December 2014, the company held legal title to a number of properties in Riga, Latvia, all of which were held as nominee for Mid Baltic Investments Limited.

The company has entered into agreements with Spire Baltic SIA, a Latvian company, under which Spire manages the development, refurbishment and operation of the company's real estate on behalf of Mid Baltic Investments Limited, the beneficial owner of the properties. Both the company and Spire are wholly-owned subsidiaries of Mid Baltic Investments Limited.

The company does not transact any business in its own right.

## **Mid Baltic Realty Limited**

### **Directors' report for the year ended 31 December 2014**

Cont...

#### **Dividends**

The Directors are unable to recommend payment of a dividend in respect of the year ended 31 December 2014.

#### **Post balance sheet events**

The Directors are not aware of any events following the balance sheet date that have any material impact on the financial statements for the year.

#### **Capital commitments**

The company had no outstanding capital commitments at the balance sheet date.

#### **Going concern**

In the opinion of the Directors, the company was a going concern at the balance date and for the foreseeable future thereafter.

#### **Directors**

The Directors of the company at 31 December 2014, all of whom served throughout the year unless otherwise stated, were as follows:

B Schnelwar  
P Slattery

No Director has a service contract with the company, or any beneficial interest in the company. There were no contracts of significance subsisting during or at the end of the financial year in which a director of the company was materially interested.

#### **Secretary**

The Secretary of the company at 31 December 2014 was Ms Rhonda Durham.

#### **Registered Office**

The company's registered office at 31 December 2014 was 10-18 Union Street, London SE1 1SZ.

**Mid Baltic Realty Limited**  
**Directors' report for the year ended 31 December 2014**  
**Cont...**

**Special Provisions**

This report is prepared in accordance with the provisions applicable to companies subject to the small companies' regime in Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

By order of the Board



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**P J Slattery**  
**Director**

Date: 30 September 2015

**Mid Baltic Realty Limited**  
**Unaudited Profit & Loss Account**  
**For the year ended 31 December 2014**

See Note 1 for an explanation of this Profit & Loss Account

|                                              | 2014     | 2013     |
|----------------------------------------------|----------|----------|
|                                              | £        | £        |
| <b>Charges</b>                               |          |          |
| Administrative expenses                      | -        | -        |
| Total charges                                | <u>-</u> | <u>-</u> |
| <b>Income</b>                                |          |          |
| Other interest receivable and similar income | -        | -        |
| Total income                                 | <u>-</u> | <u>-</u> |
| <b>Profit for the financial year</b>         | <u>-</u> | <u>-</u> |

The Notes on pages 6 - 8 form part of these accounts.

**Mid Baltic Realty Limited**  
**Unaudited Balance Sheet**  
**As at 31 December 2014**

|                                              | 2014       | 2013       |
|----------------------------------------------|------------|------------|
|                                              | £          | £          |
| <b>Current assets</b>                        |            |            |
| Debtors: Amounts owed by group undertakings  | 100        | 100        |
|                                              | <hr/>      | <hr/>      |
| <b>Net current assets</b>                    | <b>100</b> | <b>100</b> |
|                                              | <hr/>      | <hr/>      |
| <b>Total assets less current liabilities</b> | <b>100</b> | <b>100</b> |
|                                              | <hr/>      | <hr/>      |
| <b>Capital and reserves</b>                  |            |            |
| Ordinary Share Capital                       | 5 100      | 100        |
| Profit & Loss Account                        | -          | -          |
|                                              | <hr/>      | <hr/>      |
| <b>Equity shareholders' funds</b>            | <b>100</b> | <b>100</b> |
|                                              | <hr/>      | <hr/>      |

**Directors' statement**

For the year ended 31 December 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime in Part 15 of the Companies Act 2006.

The financial statements on pages 4 to 8 were approved by the board of directors on 30 September 2015 and were signed on its behalf by:

  
P J Slattery

Director

30 September 2015

The Notes on pages 6 - 8 form part of these accounts.

**Mid Baltic Realty Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2014**

**1. Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

**Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008). Assets and liabilities to which the company has legal title or responsibility but which are held in a fiduciary capacity are excluded from the Balance Sheet.

Income and charges received or incurred by the company, but which relate to its activities as a nominee are considered attributable to the entity for which the company is acting as nominee, and are excluded from the Profit and Loss account.

Transactions undertaken in foreign currencies are translated to sterling at the rate ruling on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated to sterling at the rate ruling on the balance sheet date

**2. Segmental analysis**

The company's only activity during the year was to act as nominee to a Bermudan company operating in the property development sector, within the Baltic region.

**3. Directors emoluments**

No Director received emoluments of any kind during the year.

**4. Statement of total recognised gains and losses**

There were no gains or losses attributable to the company during the financial year (see note 1).

**5. Called up share capital**

**Authorised**

|                                           | 2014          | 2013          |
|-------------------------------------------|---------------|---------------|
| 1,000 ordinary shares of £1.00 each       | <u>£1,000</u> | <u>£1,000</u> |
| <b>Allotted, called up and fully paid</b> |               |               |
| 100 ordinary shares of £1.00 each         | <u>£100</u>   | <u>£100</u>   |

**Mid Baltic Realty Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2014**  
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**6. Reserves**

The company has never operated in its own right, and consequently has no accumulated profit or loss, or reserves of any other nature.

**7. Reconciliation of movements in equity shareholders' funds**

|                                        | <b>2014</b> | <b>2013</b> |
|----------------------------------------|-------------|-------------|
|                                        | <b>£</b>    | <b>£</b>    |
| Opening shareholder's funds            | 100         | 100         |
| Profit / (loss) for the financial year | -           | -           |
| Closing equity shareholder's funds     | <u>£100</u> | <u>£100</u> |

**8. Cash flow statement**

Under the provisions of Financial Reporting Standard 1 "Cash flow statements", the company is exempt from preparation of a cash flow statement on the basis that it is a small company.

**9. Contingent liabilities**

In the opinion of the directors, there were no contingent liabilities at the balance sheet date.

**10. Parent Company**

Mid Baltic Investments Limited, a company registered in Bermuda, owns 100% of the company's issued share capital. As disclosed in the Directors' Report, the company acts as a nominee for Mid Baltic Investments Limited.

**11. Taxation**

The Directors have been advised that the company is not liable to UK taxation as its activities are entirely outside the UK, its parent company is not resident in the UK, and the company's activities are undertaken in a fiduciary capacity on behalf of its parent company. On the basis of this advice, no provision has been made for UK taxation.

The company's registered Latvian branch is subject to Latvian income tax on net income and gains on its operations in Latvia. Any tax liability or deferred tax credit arising from the company's activities as nominee would be attributable to the parent company as beneficial owner of the assets.

**Mid Baltic Realty Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2014**  
**Cont...**

**12. Related parties**

As previously stated in these financial statements, the company operates as a nominee for its parent company, Mid Baltic Investments Limited, and all transactions are undertaken on behalf of the parent. All decisions taken by the board are made for the benefit of the parent company.

The company has entered into a management agreement with Spire Baltic SIA, a Latvian registered company, under which Spire oversees the development, maintenance and operation of the company's properties in return for a fee. Spire Baltic SIA is a subsidiary of Mid Baltic Investments Limited.