

Freeport of Riga Authority

*Summary financial statements
for the year 2017**

Riga, 2018

** This version of summary financial statements is a translation from the original, which was prepared in the Latvian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, the original language version of financial statements takes precedence over this translation.*

CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	3
SUMMARY FINANCIAL STATEMENTS:	
BALANCE SHEET	4 – 5
STATEMENT OF INCOME AND EXPENSES	6
NOTE TO THE SUMMARY FINANCIAL STATEMENTS	7



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Independent Auditors' Report on the Summary Financial Statements

To the Board of Freeport of Riga Authority

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2017, the summary statements of income and expenses for the year ended, and related note, are derived from the audited financial statements of Freeport of Riga Authority ("the Authority") for the year ended 31 December 2017.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by 'Law on the Annual Reports and Consolidated Annual Reports' of the Republic of Latvia. Reading the summary financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 20 June 2018.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements on the basis described in Note 1.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements".

KPMG Baltics SIA
License Nr. 55

Armine Movsisjana
Chairperson of the Board
Riga, Latvia

20 June 2018

Inga Lipšāne
Latvian Certified Auditor
Certificate No. 112

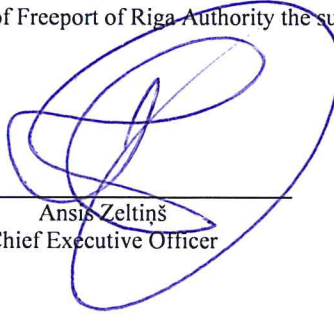
FREEPORT OF RIGA AUTHORITY
Reg. No. 90000512408, Kalpaka bulvāris 12, Rīga, Latvia
SUMMARY FINANCIAL STATEMENTS FOR 2017

BALANCE SHEET AS AT 31 DECEMBER 2017

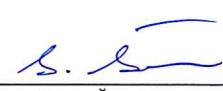
ASSETS	31.12.2017. EUR	31.12.2016. EUR
Long-term investments		
Intangible assets		
Intangible assets	173,616	214,087
Total intangible assets	173,616	214,087
Fixed assets		
Land, buildings and engineering structures	355,126,812	362,030,540
Leasehold improvements	13,494	19,599
Equipment and devices	1,897,059	3,137,027
Other fixed assets	1,221,274	2,147,284
Construction in progress	9,596,573	6,537,047
Prepayments for fixed assets	18,024,883	12,962,724
Total fixed assets	385,880,095	386,834,221
Long-term financial investments		
Investments in subsidiaries	27,913,380	18,302,708
Loans to related companies	-	5,102,370
Total long-term financial investments	27,913,380	23,405,078
Total long-term investments	413,967,091	410,453,386
Current assets		
Stock		
Raw materials	133,596	212,441
Prepayments for goods	911	8,059
Total stock	134,507	220,500
Receivables		
Trade receivables	1,972,245	3,148,280
Due from related parties	16,607	17,170
Other receivables	350,329	440,727
Prepaid expenses	202,351	272,076
Accrued income	15,883	13,955
Total receivables	2,557,415	3,892,208
Cash	9,404,309	6,801,214
Total current assets	12,096,231	10,913,922
TOTAL ASSETS	426,063,322	421,367,308

The accompanying Note 1 on page 7 forms an integral part of these financial statements

On behalf of Freeport of Riga Authority the summary financial statements were signed on 20 June 2018 by:



 Ansis Zeltiņš
 Chief Executive Officer



 Santa Šveda
 Chief Accountant


FREEPORT OF RIGA AUTHORITY
Reg. No. 90000512408, Kalpaka bulvāris 12, Riga, Latvia
SUMMARY FINANCIAL STATEMENTS FOR 2017

BALANCE SHEET AS AT 31 DECEMBER 2017

EQUITY AND LIABILITIES	31.12.2017. EUR	31.12.2016. EUR
Shareholders' equity		
Long-term investment revaluation reserve	1,007,038	1,007,461
Reserves:		
a) statutory reserves	164,320,860	153,883,975
b) other reserves	107,401,978	107,123,973
Surplus for the reporting year	9,135,620	10,436,885
Total equity	281,865,496	272,452,294
Provisions	4,866,440	4,909,407
Liabilities		
Long-term liabilities		
Loans from credit institutions	52,787,192	58,000,199
Accounts payable to suppliers and contractors	210,853	201,811
Other long-term liabilities	-	103,727
Deferred income	73,621,205	75,401,004
Total long-term liabilities	126,619,250	133,706,741
Short-term liabilities		
Loans from credit institutions	5,213,007	4,978,631
Customer advances	9,226	5,166
Accounts payable to suppliers and contractors	1,829,613	524,499
Taxes and compulsory state social security contributions	325,880	562,125
Other liabilities	833,364	1,040,139
Deferred income	1,696,571	1,741,581
Accrued liabilities	2,804,475	1,446,725
Total short-term liabilities	12,712,136	10,298,866
Total liabilities	139,331,386	144,005,607
TOTAL EQUITY AND LIABILITIES	426,063,322	421,367,308

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On behalf of Freeport of Riga Authority the summary financial statements were signed on 20 June 2018 by:


 Ansis Zelčinskis
 Chief Executive Officer


 Santa Šveda
 Chief Accountant


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SUMMARY FINANCIAL STATEMENTS FOR 2017

STATEMENT OF INCOME AND EXPENSES FOR 2017


	2017	2016
	EUR	EUR
Net sales	44,006,182	50,222,745
Cost of services	(28,771,522)	(30,683,457)
Gross surplus	15,234,660	19,539,288
Administrative expenses	(7,690,326)	(9,268,169)
Other operating income	2,672,742	4,601,762
Other operating expenses	(236,705)	(3,465,065)
Interest and similar expenses	(844,751)	(970,931)
Surplus for the reporting year	9,135,620	10,436,885

The accompanying Note 1 on page 7 forms an integral part of these financial statements

On behalf of Freeport of Riga Authority the summary financial statements were signed on 20 June 2018 by:



Ansis Zeltins
Chief Executive Officer



Santa Šveda
Chief Accountant


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SUMMARY FINANCIAL STATEMENTS FOR 2017

NOTE TO THE SUMMARY FINANCIAL STATEMENTS

Note 1 SUMMARY FINANCIAL STATEMENTS PREPARATION PRINCIPLES

These summary financial statements for the year ended 31 December 2017 are prepared by the decision of the management of Freeport of Riga Authority to be submitted to different institutions and other users. These summary financial statements comprise the balance sheet as at 31 December 2017 and the related statement of income and expenses for the year 2017. Full version of audited financial statements of Freeport of Riga Authority for the year ended 31 December 2017 was prepared in accordance with 'Annual Reports and Consolidated Annual Reports Law' of Republic of Latvia. Management considers that summary financial statements preparation principles are in accordance with the purpose of these statements.



Ansis Zēlītis
Chief Executive Officer

Santa Šveda
Chief Accountant

20 June 2018