

Registration number 5533122

**Pan European Oil Terminals Limited (formerly
known as Baltic Terminals Limited)**
Financial Statements
For the year ended 31 December 2012



Company information

Director

Simon Escott

Auditors

Grant Thornton
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

Solicitors

Covington & Burling
265 Strand
London
WC2R 1BH

Registered Office

1-6 Yarmouth Place
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W1J 7BU

Pan European Oil Terminals Limited

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Pan European Oil Terminals Limited

Director's report

The director presents his report together with the audited financial statements for the year ended 31 December 2012

Statement of Director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK 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, in which case there should be supporting assumptions or qualifications as necessary.

The director confirms that he has complied with the above requirements in preparing the financial statements.

The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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 and review of business

The company's principal activity during the year was that of the development and operation of an oil transshipment terminal in Russia. The activity is carried out through the Company's subsidiary undertakings.

It is the intention of the director that the above business of the company will continue for the foreseeable future.

On 30 August 2012 the Company changed its name from Baltic Terminals Limited to Pan European Oil Terminals Limited.

Results and dividends

The loss for the year, after taxation, amounted to \$288 (2011: \$284).

The director does not recommend the payment of a dividend for the year.

Pan European Oil Terminals Limited

Director

The director who served during the year and up to the date of this report is as follows

Simon Escott

The director did not have any interest in the share capital of the Company during the year

Statement of disclosure to auditors

The director who held office at the date of approval of this director's report confirms that

- so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Risks and key performance indicators

A discussion of the significant risks and key performance indicators has been provided in the Pan European Terminals plc group accounts for the year ended 31 December 2012

Auditors

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006

This report was approved by the board on 20 August 2013 and signed on its behalf



Simon Escott
Director

Pan European Oil Terminals Limited

Independent auditor's report to the members of Pan European Oil Terminals Limited

We have audited the financial statements of Pan European Oil Terminals Limited for the year ended 31 December 2012 which comprise the balance sheet, profit and loss account and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Director's Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Philip Westerman (Senior Statutory Auditor)
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
20 August 2013

Pan European Oil Terminals Limited

Profit and loss account

For the year ended 31 December 2012

		2012	2011
	notes	\$	\$
Administrative expenses	2	(288)	(284)
Loss on ordinary activities before taxation		(288)	(284)
Tax on loss on ordinary activities	4	-	-
Loss on ordinary activities after taxation	9	(288)	(284)

All amounts relate to continuing operations

There were no recognised gains and losses other than those included in the profit and loss account

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Balance sheet As at 31 December 2012

	notes	2012 \$	2011 \$
Fixed assets			
Fixed asset investments	5	4,075,606	4,075,606
Investments in associates	5	12,175,127	12,175,127
		16,250,733	16,250,733
Current assets			
Debtors	6	13	13
Creditors amounts falling due within one year	7	(20,484,713)	(20,484,425)
Net current liabilities		(20,484,700)	(20,484,412)
Total assets less current liabilities		(4,233,967)	(4,233,679)
Net liabilities		(4,233,967)	(4,233,679)
Capital and reserves			
Called up share capital	8	180	180
Profit and loss account	9	(4,234,147)	(4,233,859)
	9	(4,233,967)	(4,233,679)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 August 2013


Simon Escott
Director

Pan European Oil Terminals Limited
Company Registered Number: 5533122

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Notes to the financial statements

1 Accounting policies

Basis of preparation of financial statements

The accounts have been prepared on a going concern basis as the parent company has agreed to provide funds to enable the Company to meet its liabilities as they fall due

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The financial statements contain information about Pan European Oil Terminals Limited as an individual company and do not contain consolidated financial information of its subsidiaries. The company is exempt under Sections 400 - 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Pan European Terminals plc. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1. The Company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Pan European Terminals plc group or investees of the Pan European Terminals plc group.

The company has adopted the US Dollar as its reporting currency. The Board believes that through this approach the accounts will give a clearer picture of the performance of the company's business, while minimising the impact of the US Dollar exchange rate fluctuations. The sterling exchange rate at 31 December 2012 is £1 \$1.617 (2011 £1 \$1.546).

Investments

Investments in subsidiaries are valued at cost less provision for impairment.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into US dollars at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into US dollars at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

2. Operating loss:

The auditors' remuneration has been borne by Pan European Terminals plc, the ultimate parent company of the group, in the years ended 31 December 2012 and 2011.

3. Staff costs

The Company has no employees other than the directors, who did not receive any remuneration during the year.

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4. Taxation

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below

	2012 \$	2011 \$
Loss on ordinary activities before tax	(288)	(284)
Loss on ordinary activities before tax multiplied by the standard rate of corporation tax of 24.5% (2011: 26%)	(71)	(74)
Effects of UK tax losses carried forward	71	74
Current tax charge for the year	-	-

The Company has tax losses of \$562 (2011: \$1,420,876) that are available indefinitely for offset against future taxable profits. Deferred tax assets have not been recognised in respect of these losses due to uncertainty as to whether such amounts will be realised.

5. Fixed asset investments

	Investments in subsidiaries \$	Investments in associated undertakings \$	Investments at cost \$	Total \$
Cost				
At 1 January 2012	4,075,606	12,175,126	-	16,250,732
Transfers	-	(12,175,126)	12,175,126	-
At 31 December 2012	4,075,606	-	12,175,126	16,250,732

On 1 January 2012 the Company's investments in the associated undertakings OOO Agroprom, ZAO Rosbunker, Edgeview Ventures Limited, North Oil Bunker and North Oil Terminals were reclassified to investments held at cost due to the Company ceasing to exercise significant influence over the associated undertakings from that date.

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5. Fixed asset investments (continued)

The following were investments of the Company

Principal investments	Country of incorporation	Principal activity	% of ordinary shares held & voting rights
OOO Polex Service (associate)	Russia	Oil services	50
Tetoil Limited and its subsidiary	UK	Oil services	100
OJSC Tetoil Limited	Russia	Oil services	100
Tetoil Baltic Limited and its subsidiary	UK	Oil services	100
OJSC Tetoil Baltic Limited	Russia	Oil services	100
Pazega Limited and its subsidiaries	Cyprus	Holding company	100
OOO Baltic Top	Russia	Oil services	100
OOO Otelbiznesstroy	Russia	Oil services	100
Yuri Trading Limited and its subsidiary	Cyprus	Holding company	100
OOO Torgovy Dom Kaliningradneft	Russia	Oil services	65
Baltica Hydrocarbons Limited and its subsidiary	Cyprus	Holding company	100
Arblade Holdings Limited	Cyprus	Holding company	100
Investments at cost			
OOO Agroprom	Russia	Oil services	50
ZAO Rosbunker	Russia	Oil services	50
Edgeview Ventures Limited	British Virgin Islands	Holding company	50
North Oil Bunker	British Virgin Islands	Oil Services	50
North Oil Trading	Panama	Oil Trading	50

6. Debtors

	2012	2011
	\$	\$
Other debtors	13	13

7. Creditors – amounts falling due within one year

	2012	2011
	\$	\$
Bank overdraft	74	71
Amounts owed to group undertakings	20,484,639	20,484,354
	20,484,713	20,484,425

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8. Share capital

	2012 \$	2011 \$
Authorised		
100 ordinary shares of £1 each	180	180
Allotted and fully paid		
100 ordinary shares of £1 each	180	180

9. Reconciliation of movements in shareholders' deficit

	Share capital \$	Profit and loss account \$	Total 2012 \$	Total 2011 \$
At 1 January	180	(4,233,859)	(4,233,679)	(4,233,395)
Loss for the year	-	(288)	(288)	(284)
At 31 December	180	(4,234,147)	(4,233,967)	(4,233,679)

10. Ultimate parent undertaking

The immediate parent undertaking is Baltic Petroleum Limited

The ultimate parent undertaking and controlling party is Pan European Terminals plc (formerly Baltic Oil Terminals plc), a public company incorporated in the UK. Copies of Pan European Terminals plc (formerly Baltic Oil Terminals plc) consolidated financial statements can be obtained from the Company's website www.peterminals.com