

**REGISTERED NUMBER: OC414946 (England and Wales)**

**Report of the Members and  
Audited Financial Statements  
for the Year Ended 31 May 2020  
for  
QHG Trading LLP**

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**General Information  
for the Year Ended 31 May 2020**

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**DESIGNATED MEMBERS:**

Inversos Ltd  
Nestan Ltd

**REGISTERED OFFICE:**

Unit 3 Second Floor  
68 Old Brompton Road  
London  
SW7 3LQ

**BUSINESS ADDRESS:**

Vasileos Georgiou A  
83, 1st Floor, Flat/office 2  
Germasogia 4047  
Limassol  
Cyprus

**REGISTERED NUMBER:**

OC414946 (England and Wales)

**AUDITORS:**

Butt Miller  
Chartered Accountants and Statutory Auditor  
92 Park Street  
Camberley  
Surrey  
GU15 3NY

**Report of the Members  
for the Year Ended 31 May 2020**

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The members present their report with the financial statements of the LLP for the year ended 31 May 2020.

**PRINCIPAL ACTIVITY**

The principal activity of the LLP in the year under review was that of purchase and sale of physical oil commodities.

**DESIGNATED MEMBERS**

The designated members during the year under review were:

Glencore Energy UK Ltd  
Glencore International AG  
Investnefttrade Limited Liability Company  
Traidproject Limited Liability Company

Glencore Energy UK Ltd and Glencore International AG resigned as members on 12 September 2019 and were replaced by Investnefttrade LLC and Traidproject LLC.

On 12 November 2020 Investnefttrade LLC and Traidproject LLC resigned as members and were replaced by Nestan Ltd and Inversos Ltd.

**RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS**

The profit for the year before members' remuneration and profit shares was \$274,366,194 (2019 - \$95,494,463 loss).

**MEMBERS' INTERESTS**

For the year ended 31 May 2020, under the partnership agreement, the designated members may at any time decide that each member may draw from its current account amounts as determined by the members. Drawings may not exceed each member's profit share for an accounting year.

Profits and losses of the LLP are allocated between the members in the proportions as may be determined by the Designated Members.

Profit or losses are included within an equity reserve until allocated to members whereby they are then included within loans and other debts due to members.

See the Reconciliation of Members' Interest for total amounts allocated to members.

Capital contributions are as determined by the Designated Members in the same proportions as entitlements to profits and losses.

No interest is payable on capital contributions. Upon leaving the partnership capital contributions are repaid to members.

See the Reconciliation of Members' Interest for total amounts of capital contributions by members.

**Report of the Members  
for the Year Ended 31 May 2020**

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**PRINCIPAL RISKS AND UNCERTAINTIES**

The LLP is exposed to a number of financial risks, which are described in more detail below.

**Liquidity risk**

Liquidity risk is the risk that the LLP is unable to meet its payment obligations when due. The LLP is funded through its working capital which is expected to be sufficient to meet foreseeable needs.

**Credit risk**

Credit risk arises from the possibility that counterparties may not be able to settle obligations due to the LLP within their agreed payment terms.

The LLP's principle financial assets are cash and debtors.

The credit risk associated with the cash is limited as the counterparties are commercial banks.

The LLP's credit management process includes the assessment and monitoring of counterparty exposure. All exposures are considered creditworthy and impairments have been assessed where appropriate.

**Market risk**

The primary market risk faced by the LLP is the financial risk of market price variations in the Oil market price and industry demand.

This is mitigated by the terms of the contracts the LLP has with customer and supplier.

**Foreign exchange risk**

This risk is considered immaterial as the majority of transactions are in USD (United States Dollar), the functional currency of the LLP.

**STREAMLINED ENERGY AND CARBON REPORTING**

The LLP has not disclosed its energy and carbon information as it qualifies as a low energy user.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the members are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the LLP's auditors are unaware, and each member has taken all the steps that he ought to have taken as a member in order to make himself aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

**ON BEHALF OF THE MEMBERS:**

Nestan Ltd - Designated member

21 January 2021

**Members' Responsibilities Statement  
for the Year Ended 31 May 2020**

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The members are responsible for preparing the Report of the Members and the financial statements in accordance with applicable law and regulations.

Legislation applicable to limited liability partnerships requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under legislation applicable to limited liability partnerships the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and 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 LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Report of the Independent Auditors to the Members of QHG Trading LLP**

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### **Opinion**

We have audited the financial statements of QHG Trading LLP (the 'LLP') for the year ended 31 May 2020 which comprise the Income Statement, Other Comprehensive Income, Statement of Financial Position, Reconciliation of Members' Interests, Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 May 2020 and of its profit 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 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the LLP's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The members are responsible for the other information. The other information comprises the information in the Report of the Members and the Members' Responsibilities Statement, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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 as applied to LLPs 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
- we have not received all the information and explanations we require for our audit.

## **Report of the Independent Auditors to the Members of QHG Trading LLP**

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### **Responsibilities of members**

As explained more fully in the Members' Responsibilities Statement set out on page four, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### **Use of our report**

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Susan Ambrose FCCA FCA (Senior Statutory Auditor)  
for and on behalf of Butt Miller  
Chartered Accountants and Statutory Auditor  
92 Park Street  
Camberley  
Surrey  
GU15 3NY

22 January 2021



**Income Statement  
for the Year Ended 31 May 2020**

		2020	2019
	Notes	\$	\$
<b>TURNOVER</b>		3,439,524,552	5,365,021,000
Cost of sales		(3,164,930,249)	(5,365,021,000)
<b>GROSS PROFIT</b>		274,594,303	-
Administrative expenses		(385,808)	(25,472,463)
<b>OPERATING PROFIT/(LOSS)</b>	5	274,208,495	(25,472,463)
Interest receivable and similar income		157,699	-
		274,366,194	(25,472,463)
Amounts written off investments	7	-	(66,929,000)
		274,366,194	(92,401,463)
Interest payable and similar expenses	8	-	(3,093,000)
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS</b>		<u>274,366,194</u>	<u>(95,494,463)</u>

The notes form part of these financial statements

**Other Comprehensive Income  
for the Year Ended 31 May 2020**

	Notes	2020 \$	2019 \$
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS</b>		274,366,194	(95,494,463)
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>274,366,194</u>	<u>(95,494,463)</u>

**Statement of Financial Position**  
**31 May 2020**

	Notes	2020 \$	2019 \$
<b>CURRENT ASSETS</b>			
Debtors	10	98,508,281	481,509,865
Cash at bank and in hand		<u>17,032,775</u>	<u>16,934</u>
		115,541,056	481,526,799
<b>CREDITORS</b>			
Amounts falling due within one year	11	<u>(115,541,052)</u>	<u>(806,713,258)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>4</u>	<u>(325,186,459)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>and</b>			
<b>NET ASSETS/(LIABILITIES)</b>			
<b>ATTRIBUTABLE TO MEMBERS</b>		<u>4</u>	<u>(325,186,459)</u>
<b>LOANS AND OTHER DEBTS DUE TO MEMBERS</b>	12	4	4
<b>MEMBERS' INTERESTS</b>			
Other reserves	13	<u>-</u>	<u>(325,186,463)</u>
		<u>4</u>	<u>(325,186,459)</u>
<b>TOTAL MEMBERS' INTERESTS</b>			
Loans and other debts due to members	12	4	4
Members' interests		-	(325,186,463)
Amounts due from members	10	<u>(50,820,269)</u>	<u>-</u>
		<u>(50,820,265)</u>	<u>(325,186,459)</u>

The financial statements were approved by the members of the LLP and authorised for issue on 21 January 2021 and were signed by:

Nestan Ltd - Designated member

**Reconciliation of Members' Interests  
for the Year Ended 31 May 2020**

	EQUITY Members' other interests	DEBT Loans and other debts due to members less any amounts due from members in debtors			TOTAL MEMBERS' INTERESTS
	Other reserves \$	Members' capital (classified as debt) \$	Other amounts \$	Total \$	Total \$
Amount due to members		4	-	4	
Amount due from members		-	-	-	
Balance at 1 June 2019	(325,186,463)	4	-	4	(325,186,459)
Profit for the financial year available for discretionary division among members	274,366,194	-	-	-	274,366,194
Members' interests after profit for the year	(50,820,269)	4	-	4	(50,820,265)
Other divisions of profit	(274,366,194)	-	274,366,194	274,366,194	-
Brought forward					
losses allocated	325,186,463	-	-	-	325,186,463
Losses allocated	-	-	(325,186,463)	(325,186,463)	(325,186,463)
Amount due to members		4	-	4	
Amount due from members		-	(50,820,269)	(50,820,269)	
Balance at 31 May 2020	-	4	(50,820,269)	(50,820,265)	(50,820,265)

**Reconciliation of Members' Interests  
for the Year Ended 31 May 2020**

	EQUITY Members' other interests	DEBT Loans and other debts due to members less any amounts due from members in debtors			TOTAL MEMBERS' INTERESTS
	Other reserves \$	Members' capital (classified as debt) \$	Other amounts \$	Total \$	Total \$
Amount due to members		4	-	4	
Amount due from members		-	-	-	
Balance at 1 June 2018	(229,692,000)	4	-	4	(229,691,996)
Loss for the financial year available for discretionary division among members	(95,494,463)	-	-	-	(95,494,463)
Members' interests after loss for the year	(325,186,463)	4	-	4	(325,186,459)
Amount due to members		4	-	4	
Amount due from members		-	-	-	
Balance at 31 May 2019	(325,186,463)	4	-	4	(325,186,459)

Other reserves relates to cumulative retained earnings less amounts allocated to members.

For the period ended 31 May 2019, members were entitled to receive but elected not to allocate any of the result reported in the financial statements of the LLP.

For the period ended 31 May 2020, all retained earnings were allocated to members.

**Statement of Cash Flows  
for the Year Ended 31 May 2020**

		2020	2019
	Notes	\$	\$
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>16,858,142</u>	<u>(2,922,258,463)</u>
Net cash from operating activities		<u>16,858,142</u>	<u>(2,922,258,463)</u>
<b>Cash flows from investing activities</b>			
Loans repaid by related parties		-	3,158,683,000
Interest received		<u>157,699</u>	-
Net cash from investing activities		<u>157,699</u>	<u>3,158,683,000</u>
<b>Transactions with members and former members</b>			
Payments to members		(4)	-
Contributions by members		<u>4</u>	-
		-	-
<b>Cash flows from other financing activities</b>			
Loan repayments in year		-	(264,924,000)
Interest paid		-	<u>(5,329,000)</u>
		-	<u>(270,253,000)</u>
Net cash from financing activities		-	<u>(270,253,000)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>17,015,841</u>	<u>(33,828,463)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>16,934</u>	<u>33,845,397</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>17,032,775</u></u>	<u><u>16,934</u></u>

The notes form part of these financial statements

**Notes to the Statement of Cash Flows  
for the Year Ended 31 May 2020**

**1. RECONCILIATION OF PROFIT/(LOSS) FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS TO CASH GENERATED FROM OPERATIONS**

	2020 \$	2019 \$
Profit/(loss) for the financial year before members' remuneration and profit shares available for discretionary division among members	274,366,194	(95,494,463)
Impairment of loans receivable	-	66,929,000
Finance costs	-	3,093,000
Finance income	(157,699)	-
	274,208,495	(25,472,463)
Decrease in trade and other debtors	433,821,853	80,674,000
Decrease in trade and other creditors	(691,172,206)	(2,977,460,000)
<b>Cash generated from operations</b>	<b>16,858,142</b>	<b>(2,922,258,463)</b>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 May 2020**

	31.5.20 \$	1.6.19 \$
Cash and cash equivalents	17,032,775	16,934

**Year ended 31 May 2019**

	31.5.19 \$	1.6.18 \$
Cash and cash equivalents	16,934	33,845,397

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.6.19 \$	Cash flow \$	Other non-cash changes \$	At 31.5.20 \$
<b>Net cash</b>				
Cash at bank and in hand	16,934	17,015,841		17,032,775
	16,934	17,015,841		17,032,775
<b>Net funds (before members' debt)</b>	16,934	17,015,841	-	17,032,775
<b>Loans and other debts due to members</b>				
Members' capital	(4)	-	-	(4)
Other amounts due to members	-	325,186,463	(325,186,463)	-
<b>Net funds</b>	16,930	342,202,304	(325,186,463)	17,032,771

**Notes to the Financial Statements - continued  
for the Year Ended 31 May 2020**

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**1. STATUTORY INFORMATION**

QHG Trading LLP is a limited liability partnership incorporated in England and Wales under the Limited Liability Partnership Act 2000. The LLP's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the US dollar (\$) and the figures have been rounded to the nearest thousand.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the requirement of the Statement of Recommended Practice, Accounting by Limited Liability Partnerships. The financial statement have been prepared on a going concern basis under the historical cost convention modified to include certain items at fair value as specified in the accounting policies below.

These are the first financial statements that comply with FRS 102. The date of transition is 1 June 2018. The transition to FRS 102 has not resulted in any changes in accounting policies to those used previously.

**Going concern**

The members have produced detailed cashflow forecasts and considered its current contracts along with global and regional issues which have the potential to affect oil prices. As a result, they have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Revenue**

Revenue is measured based on consideration specified in the contract with a customer, net of discounts, VAT and other related taxes.

Revenue is recognised when the performance obligations have been satisfied, which is once control of the goods has transferred from the LLP to the buyer as specified in the relevant contracts, and once the final market price is published. The members believe that this results in the accounts providing more reliable and relevant information about the effects of the transaction, especially considering the current volatility of oil prices. Cost of sales items are treated in the same way.

This accounting policy differs from the treatment in prior years when the sales price was determined on a provisional basis at the date of sale with any subsequent adjustments being recognised as adjustments to revenue at a later date.

The provision for revenue and cost of sales at 31 May 2019 was \$466,953,897. The members are not able to establish a sufficiently accurate figure for 31 May 2018 but believe this to be in the region of \$400,000,000 to \$560,000,000.

**Derivative financial instruments**

The LLP traded derivative financial instruments such as commodity trading contracts and forward foreign exchange contracts and classified them as fair value through the income statement. All derivative instruments are measured at fair value upon initial recognition and are re-measured to fair value at each subsequent reporting date. Where derivative financial instruments are classified as fair value through the income statement, movements in fair value of derivative instruments are recognised in the income statement. Where derivatives, cannot be valued by reference to a liquid market, the fair value is determined by performing an economic analysis to determine a fair commercial valuation.

Derivative financial instruments receivable and payable are measured at fair value. Receivables and payables are offset and the net amount presented in the statement of financial position when the LLP has a legally enforceable right to set off the recognised amounts and either intends to settle on a net basis, or to realise the receivable and settle the payable simultaneously.



**Notes to the Financial Statements - continued  
for the Year Ended 31 May 2020**

**2. ACCOUNTING POLICIES - continued**

**Foreign currencies**

Transactions during the year in currencies other than US dollars are translated into US dollars at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities in currencies other than US dollars are translated into US dollars at the rates ruling at the statement of financial position date. Exchange adjustments are dealt with in the income statement in the year in which they arise.

**3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Estimates and assumptions are continually evaluated and are based on experience, amongst other factors. Actual outcomes could result in a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

There are no critical judgements or significant accounting estimates that have been made in the process of applying the LLP's accounting policies that had a significant effect on the amounts recognised in the financial statements.

**4. EMPLOYEE INFORMATION**

There were no staff costs for the year ended 31 May 2020 nor for the year ended 31 May 2019.

The average number of employees during the year was NIL (2019 - NIL).

**5. OPERATING PROFIT/(LOSS)**

The operating profit (2019 - operating loss) is stated after charging:

	2020	2019
	\$	\$
Foreign exchange differences	-	25,287,000

**6. AUDITORS' REMUNERATION**

	2020	2019
	\$	\$
Fees payable to the LLP's auditors for the audit of the LLP's financial statements	11,112	23,000

**7. AMOUNTS WRITTEN OFF INVESTMENTS**

	2020	2019
	\$	\$
Impairment of loans receivable	-	66,929,000

**8. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2020	2019
	\$	\$
Finance costs	-	3,093,000

**9. INFORMATION IN RELATION TO MEMBERS**

The average number of members during the year was 2 (2019: 2)

**Notes to the Financial Statements - continued  
for the Year Ended 31 May 2020**

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	\$	\$
Trade debtors	456,002	480,619,415
Amounts due from members	50,820,269	-
Other debtors	46,341,560	-
Commodity trading contracts	890,450	890,450
	<u>98,508,281</u>	<u>481,509,865</u>

During the previous year amounts due from QHG Holding LLP, a fellow subsidiary in the Glencore group, were determined to be irrecoverable as the Members understood that the accounts of QHG Holding LLP were in a net liability position and neither QHG Holding LLP nor its subsidiaries were in a position to generate cash to meet their obligations as they fell due. The LLP was dissolved on 11 February 2020.

In 2019 the balance of a loan receivable from QHG Holding LLP of \$298,832,000, payable in Euros, on which no interest was charged, was fully written off.

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	\$	\$
Trade creditors	114,639,490	805,822,808
Commodity trading contracts	890,450	890,450
Accruals	11,112	-
	<u>115,541,052</u>	<u>806,713,258</u>

**12. LOANS AND OTHER DEBTS DUE TO MEMBERS**

	2020	2019
	\$	\$
Capital account	<u>4</u>	<u>4</u>
Falling due within one year	<u>4</u>	<u>4</u>

In the event of any winding up, loans and other debts due to members rank equally with unsecured creditors. Capital cannot be withdrawn unless the member is leaving the LLP.

**13. RESERVES**

	Other reserves
	\$
At 1 June 2019	(325,186,463)
Brought forward losses allocated	<u>325,186,463</u>
At 31 May 2020	<u>-</u>

Other reserves relate to prior unallocated profit and losses. This was allocated during the period.

**Notes to the Financial Statements - continued  
for the Year Ended 31 May 2020**

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**14. RELATED PARTY DISCLOSURES**

All of the LLP's sales for the period prior to 12 September 2019 were to Glencore Energy UK Ltd, who were a designated member up to this date. There are no outstanding invoices nor were any outstanding at 31 May 2019. Amounts are determined as per the contract with the customer and are derived from market quotations.

Included within trade creditors is \$432,136 relating to demurrage claims that are currently in dispute.

Included within other debtors is \$46,341,560 due from Glencore PLC, the parent of the Glencore group, of which Glencore Energy UK Ltd is subsidiary. This payment was made to cover expenses incurred with regards to the 'takeover' of QHG Trading LLP. This balance was repaid after the year end, with the exception of \$1,474,936 which was written off as a bad debt. This has not been recognised in the current period.

**15. ULTIMATE CONTROLLING PARTY**

The immediate and ultimate parent company, and controlling party prior to 12 November 2019 was Investnefttrade LLC, a company registered in Russia, (Registration number 5157746030976) of Office 1, 28 (Bldg.2) Trubnaya Street, Moscow, Russia, 119021 by virtue of it and its subsidiary Treidproject LLC being the designated members of the LLP. Investnefttrade LLC is the parent of the largest and smallest of the group for which consolidated accounts are prepared.

From 12 November 2019 to date the immediate and ultimate parent company is Nestan Ltd, a company registered in Cyprus, (Registration number HE348192) of Vasileos Georgiou A, 83 1st Floor, Flat/office 2, Germasogia 4047, Limassol, Cyprus. Nestan Ltd is the parent of the largest and smallest of the group for which consolidated accounts are prepared.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.