

Name of the company:

JSC “Olaines kūdra”

Legal address

Rīgas 21, Olaine, edge of Olaine LV-2114

Unified registration number

40003006999

PERIODIC REPORT

(reporting period: 01.01.2012.-31.03.2012.)

Date of producing of the document

The document drawn up by (first name, surname, position)

Confirmed by (first name, surname, position)

Currency of the Report:

LVL/EUR

Name of the Company

JSC “Olaines kūdra”

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INFORMATION ABOUT THE COMPANY

1 The full name of the Company:	JSC "Olaines kūdra"	
2 Legal status of the Company:	Joint Stock Company	
3 Registration No. In the CR, place and date:	40003006999	Rīga, 02.07.2004
4 Tax payer's registration number.:	40003006999	Rīga, 03.08.2004
VAT registration number:	LV 40003006999	
5 The Company's legal address and telephone:	Rīgas 21, Olaine, edge of Olaine LV-2114	
	Tel.: 67964254	Fax: 67964203
6 Office address and telephone:	Rīgas 21, Olaine, LV-2114	
	Tel.: 67964254	Fax: 67964203
7 Type of business:	Extraction and processing of peat	
8 Reporting year:	January 1, 2012 – March 31, 2012	
9 Members of Board		
Chairman of Board	Gunārs Cankalis	
Members of Board	Ļubova Kazule	
	Verners Liniņš	
10 Council	Heinrich Strengē	
	Agnes Maria Strengē	
	Henning Franz Strengē	
	Christian Strengē	
	Juri Roht	
11 the Chief accountant:	Jeļena Luseviča	
12 Auditor, licence no., address, telephone:	LLC "FINANSIST", Address: Rīga, Tālavas gatve 11-4, Latvija, LV-1067	
	40002046180	Licence no. 102

13 Average number of employees: 63

14 The owners/shareholders of the Company Total share capital Ls 1 800 000

LLC "Florabalt SIA"

Address: Liepas 1, Valles pagasts, Vecumnieku novads
LV-5106 Latvija

The proportion of shares (%)	95%	40003516811
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15 Information about the related companies:

LLC "Florabalt SIA"

Address: Liepas 1, Valles pagasts, Vecumnieku novads
LV-5106 Latvija

The proportion of shares (%)	95%	40003516811
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16 Structural units of the Company

"Gaismas" - unit of peat extraction

Address, tel.: "Gaismas", Olaine civil parish, Riga region

Tel.27931228

Name of the Company **JSC "Olaines kūdra"**

Registration No. 40003006999

Address Rīgas 21, Olaine, edge of Olaine LV-2114

Telephone 67964254 Fax 67964203

Management institution
SRS Riga regional institution, Riga district department

Type of business Extraction and processing of peat

Measurement unit LVL/EUR

PROFIT OR LOSS STATEMENT
(ACCORDING TO THE TURN-OVER METHOD)
(reporting period: 01.01.2012.-31.03.2012.)

Name of indices	Number of Notes	For 01.01.	2012 -31.03.	For 01.01.	2011 -31.03.
1	2	LVL	EUR	LVL	EUR
Net turn-over	10	216339	307824	237181	337480
Cost of production of sold products	11	-245105	-348755	-217746	-309826
Gross profit or losses		-28766	-40931	19435	27654
Sales costs	12	-6755	-9612	-16729	-23803
Administrative costs	13	-30711	-43698	-26768	-38088
Other income from economic activity	14	193799	275753	5221	7429
Other expenses of economic activity	14	-4724	-6722	-2366	-3367
Other interest income and similar income	15	8	12	19	27
Profit or loss before extraordinary items and taxes		122851	174802	-21188	-30148
Profit or loss before taxes		122851	174802	-21188	-30148
Other taxes		-5386	-7663	-4944	-7035
Profit or loss of the reporting year	16	117465	167139	-26132	-37183

Name of the Company	JSC "Olaines kūdra"		
Registration No. In Commercial Register	<input type="text" value="40003006999"/>		
Tax payer's registration number	<input type="text" value="40003006999"/>		
Address	Rīgas 21, Olaine, edge of Olaine LV-2114		
Telephone	67964254	Fakss	67964203
Tax authority			
the main type of business	Extraction and processing of peat		
Measurement unit	LVL/EUR		

BALANCE SHEET

On 31.03.2012

(reporting period: 01.01.2012.-31.03.2012.)

Submission date

Receiving date:

ASSETS	Number of Note	At the end of the Reporting period		At the beginning of the year	
		LVL	EUR	LVL	EUR
1	2				
LONG-TERM INVESTMENTS					
Intangible assets					
Concessions, patents, licenses, trade marks and similar rights		174	248	174	248
I. TOTAL:		174	248	174	248
Fixed assets					
Land plots, buildings and structures and perennial plants		412274	586616	398157	566530
Equipment and machinery		650016	924895	362435	515701
Other fixed assets and inventory		19623	27921	18194	25888
Formation of fixed assets and costs of unaccomplished construction objects		279084	397103	69897	99454
II. TOTAL:		1360997	1936535	848683	1207573
GRAND TOTAL OF THE FIRST SECTION		1361171	1936783	848857	1207821
CURRENT ASSETS					
Stocks					
Raw material, basic materials and auxiliary materials	1	109001	155095	168303	239475
Unfinished produce		176435	251046		
Finished produce and goods for sale		94694	134738	311712	443529
Advance payments for goods	2	73351	104370	50730	72183
I. TOTAL:		453481	645249	530745	755187
Debtors					
Debts of customers and clients	3	196697	279876	182987	260369
Other debtors	4	32395	46094	16950	24118
Deferred expenses	5	11256	16016	11176	15902
III. TOTAL:		240348	341986	211113	300389
Cash (total)	6	174227	247904	227280	323392
GRAND TOTAL OF THE SECOND SECTION		868056	1235139	969138	1378968
BALANCE		2229227	3171922	1817995	2586789

LIABILITIES	Number of Note	At the end of the Reporting period		At the beginning of the year	
		LVL	EUR	LVL	EUR
1	2				
Shareholders' funds					
Share capital (equity capital)		1800000	2561184	1800000	2561184
Reserves:					
other reserves		37850	53856	37850	53856
I. TOTAL:		1837850	2615040	1837850	2615040
Retained earnings					
retained earnings from the previous years		-211331	-300698	-34942	-49718
retained earnings of the reporting year		117465	167139	-176389	-250980
GRAND TOTAL OF THE SECTION		1743984	2481481	1626519	2314342
ACCRUALS					
Other accruals		21700	30876	21700	30876
GRAND TOTAL OF THE SECOND SECTION		21700	30876	21700	30876
3. CREDITORS					
I. LONG-TERM CREDITORS					
Debts to suppliers and contractors	7	2728	3882	2728	3882
Loans from related companies		210841	300000		
Deferred tax liabilities		44989	64014	44989	64014
I. TOTAL:		258558	367896	47717	67896
SHORT-TERM CREDITORS					
Advances from customers		3329	4736	37068	52743
Debts to suppliers and contractors	7	152525	217025	46311	65895
Taxes and state obligatory social insurance contributions	8	19383	27580	13473	19170
Other creditors	9	29748	42328	25207	35867
II. TOTAL:		204985	291669	122059	173675
GRAND TOTAL OF THIS SECTION		463543	659565	169776	241571
BALANCE		2229227	3171922	1817995	2586789

Name of the Company **JSC "Olaines kūdra"**

STATEMENT OF OWN CAPITAL CHANGES FOR THE YEAR 2012

(reporting period: 01.01.2012.-31.03.2012.)

(WITH A HORIZONTAL METHOD)

	Equity capital		Other reserves		Retained earnings		Own capital (total)	
	LVL	EUR	LVL	EUR	LVL	EUR	LVL	EUR
Residual according to balance sheet as of the beginning of the previous reporting period 01.01.2011	1800000	2561184	37850	53856	-34942	-49718	1802908	2565322
Retained earnings of the reporting year					-176389	-250980	-176389	-250980
Residual according to the balance sheet as of the beginning of the reporting period 01.01.2012	1800000	2561184	37850	53856	-211331	-300698	1626519	2314342
Retained earnings of the reporting year					117465	167139	117465	167139
Residual according to the balance sheet as of the end of the reporting period 31.03.2012	1800000	2561184	37850	53856	-93866	-133559	1743984	2481481

Name of the company **JSC "Olaines kūdra"**

Registration No. In ER

Tax payer's reg.No.:

Address: Rīgas 21, Olaine, LV-2114

SRS Riga regional institution, Riga District department

Measurement unit LVL/EUR

CASH FLOW STATEMENT
(reporting period: 01.01.2012.-31.03.2012.)

(with a direct method)

	Annexes	01.01.-31 .03.2012		01.01.-31 .03.2011	
		LVL	EUR	LVL	EUR
I. Cash flow from basic activity					
1	Income from sales of goods and provided services	312680	444906	160850	228870
2	Payments to suppliers, employees and other operating expenses	-464569	-661026	-215186	-306185
3	<i>Gross basic activity cash flow</i>	<i>-151889</i>	<i>-216120</i>	<i>-54336</i>	<i>-77315</i>
4	Expenses on interest payment	-139	-198	-172	-245
5	Expenses on company's income tax payments				
6	<i>Cash flow before extraordinary items</i>	<i>-152028</i>	<i>-216318</i>	<i>-54508</i>	<i>-77560</i>
	I. Operation net cash flow	-152028	-216318	-54508	-77560
II. Investment operation cash flow					
1	Procurement of fixed assets and intangible assets	17	-315772	-449306	-1832
2	Income from selling of fixed assets and intangible assets		201233	286330	
3	Received loans		210 841	300000	
4	Income from repaid loans				
5	Income from interest payment		2677	3810	681
	II. Investment operation net cash flow		98979	140835	-1151

SUMMARY OF CASH INCOME AND EXPENSES

I	Result of basic activity	-152028	-216318	-54508	-77560
II	Result of investment operation	98979	140835	-1151	-1638
III	Result of fluctuation of foreign currency rates	-4	-5	19	27
IV	Net increase or decrease of cash and its equivalents	-53053	-75488	-55640	-79170
V	Residual of cash and its equivalents at the beginning of the reporting period	227280	323392	492751	701126
VI	Residual of cash and its equivalents at the end of the reporting period	174227	247904	437111	621956

Name of the company

JSC "Oļaines kādra"

STATEMENT OF LONG-TERM INVESTMENT MOVEMENT FOR 2012
(reporting period: 01.01.2012.-31.03.2012.)

LVL

N.p.k.	Type of Long-Term investments	Initial value		movement and exemption from operation (+,-)	Depreciation (write-off of value)			Residual value	
		On 01.01. 2012.g.	On 31.03. 2012.g.		On 01.01. 2012.g.	calculated in the reporting year (+,-)	excluded due to the exemption from operation (-)	On 01.01. 2012.g.	On 31.03. 2012.g.
	I. Intangible investments total	3 620	3 620	-	3 446	-	-	174	174
	incl.:								
1	Licences	1 627	1 627		1 453			174	174
2	Trademarks	143	143		143			-	-
3	Accounting software	1 850	1 850		1 850			-	-
	II. Fixed assets (total)	1 914 050	2 200 533	296 131	1 065 367	21 316	247 147	848 683	1 360 997
	incl.:								
1	Land plots, buildings, structures and perennial plants	700 637	718 422		302 480	3668		398 157	412 274
2	Equipment and machinery	1 093 598	1 161 842	-245 947	731 163	16 391	-235 728	362 435	650 016
3	Other fixed assets and inventory	49 918	41 185	-11 419	31 724	1 257	-11 419	18 194	19 623
4	Placement of fixed assets and costs of incomplete construction objects	69 897	279 084	-38 765				69 897	279 084
	Total long-term investments	1 917 670	2 204 153	296 131	1 068 813	21 316	247 147	848 857	1 361 171

EUR

N.p.k.	Type of Long-Term investments	Initial value		movement and exemption from operation (+,-)	Depreciation (write-off of value)			Residual value	
		On 01.01. 2012.g.	On 31.03. 2012.g.		On 01.01. 2012.g.	calculated in the reporting year (+,-)	excluded due to the exemption from operation (-)	On 01.01. 2012.g.	On 31.03. 2012.g.
	I. Intangible investments total	5 151	5 151	-	4 903	-	-	248	248
	incl.:								
1	Licences	2 315	2 315		2 067			248	248
2	Trademarks	203	203		203			-	-
3	Accounting software	2 632	2 632		2 632			-	-
	II. Fixed assets (total)	2 723 462	3 131 094	421 358	1 515 889	30 330	351 661	1 207 573	1 936 536
	incl.:								
1	Land plots, buildings, structures and perennial plants	996 922	1 022 228		430 393	5 219		566 530	586 616
2	Equipment and machinery	1 556 059	1 653 162	-349 953	1 040 357	23 322	-335 413	515 701	924 895
3	Other fixed assets and inventory	71 027	58 601	-16 248	45 139	1 789	-16 248	25 888	27 921
4	Placement of fixed assets and costs of incomplete construction	99 454	397 103	-55 157				99 454	397 103
	Total long-term investments	2 728 613	3 136 245	421 358	1 520 793	30 330	351 661	1 207 821	1 936 783

Addition: including basic facilities without a remaining cost – amount is 100 th., initial cost – LVL 347979 / EUR 495130

Annexes to the balance-sheet

1 Raw materials, basic materials and auxiliary materials

No	Name	Residual on 31.03.2012		Residual on 01.01.2012.	
		LVL	EUR	LVL	EUR
1	Materials	98174	139690	162744	231565
2	Fuel	10190	14499	5433	7731
3	Low-value inventory	637	906	126	179
Residual value		109001	155095	168303	239475

2 Advance payments for goods

No	Name	Residual on 31.03.2012		Residual on 01.01.2012.	
		LVL	EUR	LVL	EUR
1	Advance payments for materials	36574	52040	31342	44596
2	Advance payments for services	36777	52329	19388	27587
Residual value		73351	104370	50730	72183

3 Debts of clients and customers

No.	Name	Residual on 31.03.2012		Residual on 01.01.2012.	
		LVL	EUR	LVL	EUR
1	Debts of Latvian companies	145717	207338	83450	118739
2	Debts of foreign companies	50980	72538	99537	141629
Residual value		196697	279876	182987	260369

4 Other debtors

No.	Name	Residual on 31.03.2012		Residual on 01.01.2012.	
		LVL	EUR	LVL	EUR
1	Overpayment of the company's income tax	7736	11007	7736	11007
2	Overpayment of VAT	12475	17750	2316	3295
3	Other	12184	17336	6898	9815
Residual value		32395	46094	16950	24118

5 Expenses of next periods

No	Name	Residual on 31.03.2012		Residual on 01.01.2012.	
		LVL	EUR	LVL	EUR
1	Insurance costs	72	102	180	256
2	Services	11184	15913	10996	15646
Residual value		11256	16016	11176	15902

6 **Cash funds (TOTAL)**

No	Type of cash deposition	Cash unit	Residuals in currency	Rate of the Banl of Latvia	Residual at the end of the year	
					LVL	EUR
1	Latvian banks 01.01.12	LVL	38921	1	38921	55380
2	Latvian banks 31.03.12	LVL	10026	1	10026	14266
3	Latvian banks 01.01.12	EUR	267290	,7028	187852	267290
4	Latvian banks 31.03.12.	EUR	225744	,7028	158653	225744
5	The company's cash box 01.01.12	LVL	425	1	425	605
6	The company's cash box 31.03.12	LVL	5466	1	5466	7777
7	The company's cash box 01.01.12	EUR	117	,7028	82	117
8	The company's cash box 31.03.12	EUR	117	,7028	82	117
				Total on 31.03.12	174227	247904
				Total on 01.01.12	227280	323392

7 **Debts to suppliers and contractors**

No	Name	Residual on 31.03.2012		Residual on 01.01.2012.	
		LVL	EUR	LVL	EUR
1	Debts to Latvian companies	80725	114862	26756	38071
2	Debts to foreign companies	74528	106045	22283	31706
	inc.long terms	2728	3882	2728	3882
Residual value		155253	220907	49039	69777

8 **Taxes and social security payments**

No	Name	Residual on 31.03.2012		Residual on 01.01.2012.	
		LVL	EUR	LVL	EUR
1	Residents'income tax	4371	6219	4131	5878
2	Nature resources' tax	27	38	76	108
3	State risk duty	16	23	15	21
4	State social insurance obligatory contributions	9584	13637	9251	13163
5	Real Estate tax	5385	7662		
Residual value		19383	27580	13473	19170

9 **Other creditors**

No	Name	Residual on 31.03.2012		Residual on 01.01.2012.	
		LVL	EUR	LVL	EUR
1	Unpaid salary	16936	24098	13482	19183
2	Other	12812	18230	11725	16683
Residual value		29748	42328	25207	35867

Annexes to Profit and Loss Statement

10 **Net turn-over**

No	Name	Amount for 01.01.-31.03.12		Amount for 01.01.-31.03.11	
		LVL	EUR	LVL	EUR
1	Transactions with Latvian companies	204367	290790	124630	177334
2	Transactions with foreign companies.	11972	17035	112551	160147
Total		216339	307824	237181	337480

11 **Production costs of sold products**

No	Name	Amount for 01.01.- 31.03.12		Amount for 01.01.- 31.03.11	
		LVL	EUR	LVL	EUR
1	Material costs	302564	430512	53101	75556
2	Staff costs (salary and State obligatory social payments)	79622	113293	64062	91153
3	Depreciation of fixed assets	20398	29024	20248	28810
4	Other operational costs	64761	92147	15287	21752
5	Changes of tailings of the prepared products	-222240	-316221	65048	92555
Total		245105	348755	217746	309826

12 **Sales costs**

No	Name	Amount for 01.01.- 31.03.12		Amount for 01.01.- 31.03.11	
		LVL	EUR	LVL	EUR
1	Staff costs (salary and State obligatory social payments)	3738	5319	2146	3054
2	Depreciation of fixed assets	404	575	654	931
3	Transportation costs	1400	1992	12294	17493
4	Other expenses	1213	1726	1635	2326
Total		6755	9612	16729	23803

13 **Administrative expenses**

No	Name	Amount for 01.01.- 31.03.12		Amount for 01.01.- 31.03.11	
		LVL	EUR	LVL	EUR
1	Staff costs (salary and State obligatory social payments)	13268	18879	15166	21579
2	Depreciation of fixed assets	300	427	261	371
3	Transportation and business trip costs			1877	2671
4	Other administrative expenses	17143	24392	9464	13466
Total		30711	43698	26768	38088

14 **Other operational income and expenses**

No	Name	Income for	Expenses for	Income for	Expenses for
		01.01.- 31.03.12	01.01.- 31.03.12	01.01.- 31.03.11	01.01.- 31.03.11
		LVL	LVL	LVL	LVL
1	Sales of purchased goods and services	64005		1611	
2	Lease of fixed assets	1595		2294	
3	Differences in currency rates		4		
4	Currency exchange		2937	47	
5	Other income /expenses		1517		2194
6	Paid percents		139		172
7	Income from interest payment	2668		1269	
8	Sales of fixed assets	125531			
9	Penalties paid		127		
Total		193799	4724	5221	2366
		EUR	EUR	EUR	EUR
1	Sales of purchased goods and services	91071		2292	
2	Lease of fixed assets	2269		3264	
3	Differences in currency rates		6		
4	Currency exchange		4179	67	
5	Other income /expenses		2159		3122
6	Paid percents		198		245
7	Income from interest payment	3796		1806	
8	Sales of fixed assets	178616			
9	Penalties paid		181		
Total		275753	6722	7429	3367

15

Other interest income and similar income

No	Name	Amount for 01.01.-31.03.12		Amount for 01.01.-31.03.11	
		LVL	EUR	LVL	EUR
1	Bank interest calculated for the residual of a current account	8	12	19	27
Summa kopā		8	12	19	27

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Profit or Loss after taxes in the reporting period

No	Name	Amount for 01.01.-31.03.12		Amount for 01.01.-31.03.11	
		LVL	EUR	LVL	EUR
1	Profit after taxation in the reporting period	117465	167139	-26132	-37183
Summa kopā		117465	167 139	-26132	-37182,7

Annexes to Cash Flow Statement

17

Procurement of fixed assets and intangible investments

No	Name	Amount for 01.01.-31.03.12		Amount for 01.01.-31.03.11	
		LVL	EUR	LVL	EUR
1	Technical equipment	294863	419555	1660	2362
2	Land, buildings	19074	27140		
3	Computers, computing equipment			55	78
4	Production inventory	1835	2611	117	166
Total		315772	449306	1832	2607

General information

1. Taxes

Type of taxes	Residual on 01.01.12		Calculated		Paid or moved		On 31.03.12	
	LVL	EUR	LVL	EUR	LVL	EUR	LVL	EUR
Company's income tax*	-7736	-11007					-7736	-11007
State social obligatory contributions	9251	13163	26934	38324	26601	37850	9584	13637
VAT	-2316	-3295	-23813	-33883	-13654	-19428	-12475	-17750
Residents' income tax	4131	5878	15008	21355	14768	21013	4371	6219
Nature resource tax	76	108	27	38	76	108	27	38
Real Estate tax	0	0	5385	7662			5385	7 662
Risk duty	15	21	47	67	46	65	16	23
Total	3421	4868	23588	33563	27837	39608	-828	-1178

2. The average number of employees

	31.03.12	31.03.11
The average number of employees per year	63	71
Fund of labour payment LVL	96628	81374
(salary +SSO contributions) EUR	137491	115786

3. Information about the off-balance liabilities

There were no off-balance liabilities and mortgages, no guarantees and pledges issued.

4. Cadastre value

Name of the object	LVL	EUR
Buildings, Olaine, Rīgas ielā 21	502151	714501
Buiding and Land ,Olaine, Veselības 2a	3881	5522
Buildings and land in "Gaisma"	184563	262611
Total:	690595	982634

5. Significant lease agreements:

For facilitation of the company's operation the following lease agreements are significant and in force :

1. With LLC "Rīgas meži" dated Jun 10, 2011 on the lease of land and peat fields, No. SRM-11-103 lī for the lease of 1173,3 ha , the term of the agreement –25 years.

SJSC "Privatizācijas aģentūra", dated August 6, 2003, the agreement on land lease No.4759-Z
2. about the lease of 24,4332 ha in Olaine, Rīgas ielā 21, the term of the agreement - 10 years,

WITH JSC "Latvijas valsts meži" dated Oktober 14, 2011, the land lease agreement No.5.7-1.1_004r_150_11_75 about the lease
3. of 165,64 ha .The terms of the agreement-14 years.

6. Payment to members of advice and management.

Members of advice and board have not received a payment.

7. Famous reident did not check review between periods.

Chairman of Board

Gunārs Cankalis

Members of Board

Ļubova Kazule

Verners Liniņš

May 25, 2012