

LUKOIL CAPITAL MARKETS LTD.

Directors' Report and

Financial Statements

for the Year Ended 31 December 2021

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for the year ended 31 December 2021**

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LUKOIL CAPITAL MARKETS LTD.

**Company Information
for the year ended 31 December 2021**

Directors:

A Matytsyn
P Zhdanov
C J Birch

Secretary:

O A Belyakova

Registered office:

17c Curzon Street
London
W1J 5HU

Registered number:

10596850 (England and Wales)

Auditors:

Haines Watts
Chartered Accountants and Statutory Auditor
250 Fowler Avenue
Farnborough
Hampshire
GU14 7JP

**Directors' Report
for the year ended 31 December 2021**

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

Principal activity

The principal activity of the company in the year under review was that of managing and marketing investor relations and supporting the ADR Program of PJSC LUKOIL.

Dividends

No dividends will be distributed for the year ended 31 December 2021.

Directors

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

A Matytsyn
P Zhdanov
C J Birch

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director 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.

On behalf of the board:

C J Birch - Director

15 August 2022

**Independent Auditors' Report to the Members of
LUKOIL Capital Markets Ltd.**

Opinion

We have audited the financial statements of LUKOIL Capital Markets Ltd. (the 'company') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and 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 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 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.

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 company 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.

Material uncertainty related to going concern

We draw your attention to note 2, going concern section, which indicate that the company's main income stream of commission arising from the sale of American Depositary Receipts (ADR) has ceased post year end. As stated in note 2, this event indicates that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in this respect.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

However, not all future events or conditions can be predicted.

Other information

The directors are responsible for the other information. The other information comprises the information in the Directors' Report, but does not include the financial statements and our Auditors' Report 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Independent Auditors' Report to the Members of LUKOIL Capital Markets Ltd.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors 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 directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company 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 an Auditors' Report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the group and the industry in which it operates, and considered the risk of acts by the group that were contrary to applicable laws and regulations, including fraud. We discussed with the Directors the policies and procedures in place regarding compliance with laws and regulations. Amongst the audit team, we considered the identified laws and regulations, and remained alert to any indications of non-compliance.

During the audit we focussed on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements, including, but not limited to, company law and UK tax legislation.

Our procedures in relation to fraud, included but were not limited to: inquires of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates and challenged the assumptions and judgements made by management in its significant accounting estimates. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud. Our tests included agreeing the financial statement disclosures to underlying supporting documentation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' Report.

**Independent Auditors' Report to the Members of
LUKOIL Capital Markets Ltd.**

Use of our report

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 Auditors' 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.

Roslyn McFarlane (Senior Statutory Auditor)
for and on behalf of Haines Watts
Chartered Accountants and Statutory Auditor
250 Fowler Avenue
Farnborough
Hampshire
GU14 7JP

23 August 2022

**Statement of Comprehensive
Income
for the year ended 31 December 2021**

		2021	2020
	Notes	\$	\$
Revenue	4	2,156,862	3,748,880
Administrative expenses		(2,342,749)	(2,775,870)
Operating (loss)/profit		(185,887)	973,010
Interest receivable and similar income	7	39,765	72,838
		(146,122)	1,045,848
Interest payable and similar expenses	8	(8,000)	(11,000)
(Loss)/profit before taxation	9	(154,122)	1,034,848
Tax on (loss)/profit	10	23,485	(203,125)
(Loss)/profit for the financial year		(130,637)	831,723
Other comprehensive income		-	-
Total comprehensive income for the year		(130,637)	831,723

The notes form part of these financial statements

Statement of Financial Position
31 December 2021

			2021		2020
	Notes	\$	\$	\$	\$
Fixed assets					
Owned					
Tangible assets	11		117,807		185,537
Right-of-use					
Tangible assets	11, 16		<u>195,516</u>		<u>326,516</u>
			313,323		512,053
Current assets					
Debtors	12	4,983,510		5,322,819	
Cash at bank		<u>414,884</u>		<u>89,358</u>	
		5,398,394		5,412,177	
Creditors					
Amounts falling due within one year	13	<u>203,990</u>		<u>119,381</u>	
Net current assets			<u>5,194,404</u>		<u>5,292,796</u>
Total assets less current liabilities			<u>5,507,727</u>		<u>5,804,849</u>
Creditors					
Amounts falling due after more than one year	14		(109,000)		(252,000)
Deferred tax	17		<u>(512)</u>		<u>(23,997)</u>
Net assets			<u>5,398,215</u>		<u>5,528,852</u>
Capital and reserves					
Called up share capital	18		126		126
Share premium			124,302		124,302
Retained earnings			<u>5,273,787</u>		<u>5,404,424</u>
Shareholders' funds			<u>5,398,215</u>		<u>5,528,852</u>

The financial statements were approved by the Board of Directors and authorised for issue on 15 August 2022 and were signed on its behalf by:

C J Birch - Director

**Statement of Changes in Equity
for the year ended 31 December 2021**

	Called up share capital \$	Retained earnings \$	Share premium \$	Total equity \$
Balance at 1 January 2020	126	4,572,701	124,302	4,697,129
Changes in equity				
Total comprehensive income	-	831,723	-	831,723
Balance at 31 December 2020	126	5,404,424	124,302	5,528,852
Changes in equity				
Total comprehensive income	-	(130,637)	-	(130,637)
Balance at 31 December 2021	126	5,273,787	124,302	5,398,215

The notes form part of these financial statements

**Notes to the Financial Statements
for the year ended 31 December 2021**

1. Statutory information

LUKOIL Capital Markets Ltd. is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. Accounting policies

Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in US dollars, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest US dollar.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IAS 7 Statement of Cash Flows.

Going concern

On 5 May 2022, a press release stated that the parent company PJSC Lukoil has notified the depository bank Citibank N.A. of its intention to terminate depository agreements from 30 December 2022 under Level 1 and Rule 144A American Depository Receipts (ADR) programme.

Given that commission from the sale of ADR is the main source of revenue for the company, this development casts significant doubt over the going concern of the company.

The directors intend to find an alternative income stream but to date it has not been established what this will be nor when income will start to be received by the company. The directors have confirmed in writing that there is no intention to liquidate the company and that the intention is for alternative income streams to be established.

Where possible, measures have been implemented to reduce the operating cost base of the company until such time as alternative revenue streams are established and in doing so the directors are of the opinion that the company has the resources to pay all liabilities as they fall due for a period of twelve months from the date of signing of these accounts and therefore consider the going concern basis for the preparation of these accounts to be appropriate.

Revenue

Revenue is recognised in accordance with the respective service agreements in place, and is accounted for on a receivable basis, when the application for payment has been approved.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	5 years straight line
IT equipment	3 years straight line

Notes to the Financial Statements - continued
for the year ended 31 December 2021

2. **Accounting policies - continued**

Right of use assets

Right of use assets are initially measured at cost and subsequently measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Right of use assets

5 years straight line

Impairment of tangible and intangible assets

At each reporting end date, the directors review the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The company is exempt under FRS 101 from the disclosure requirements of IFRS 13. There was no impact on the company from the adoption of IFRS 13.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held on call with banks.

Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortized cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Notes to the Financial Statements - continued
for the year ended 31 December 2021

2. **Accounting policies - continued**

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current taxes

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method

Foreign exchange

Transactions in currencies, other than US dollars, are initially recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for the period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. The company has adopted the modified approach to introduce the both the asset and lease liability, based on the remaining discounted lease payments, at the beginning of the accounting period.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3. **Critical accounting estimates and judgements**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements

Revenue recognition

Revenue recognition is accounted for as detailed in note 'Revenue' The directors consider this to be the most suitable policy based on the underlying contractual arrangements.

Notes to the Financial Statements - continued
for the year ended 31 December 2021

4. **Revenue**

The revenue and loss (2020 - profit) before taxation are attributable to the one principal activity of the company.

An analysis of revenue by class of business is given below:

	2021	2020
	\$	\$
Investor relation services	1,778,731	3,338,555
Recharges	378,131	410,325
	<u>2,156,862</u>	<u>3,748,880</u>
	2021	2020
	\$	\$
Other significant revenue		
Interest income	<u>37,581</u>	<u>72,838</u>

5. **Employees and directors**

	2021	2020
	\$	\$
Wages and salaries	1,391,904	1,576,131
Social security costs	187,842	206,881
Other pension costs	3,930	4,383
	<u>1,583,676</u>	<u>1,787,395</u>

The average number of employees during the year was as follows:

	2021	2020
Administrative	<u>6</u>	<u>6</u>

6. **Directors' emoluments**

	2021	2020
	\$	\$
Directors' remuneration	<u>1,006,282</u>	<u>999,990</u>

Information regarding the highest paid director is as follows:

	2021	2020
	\$	\$
Emoluments etc	<u>399,789</u>	<u>406,860</u>

7. **Interest receivable and similar income**

	2021	2020
	\$	\$
Other interest received	<u>39,765</u>	<u>72,838</u>

8. **Interest payable and similar expenses**

	2021	2020
	\$	\$
Leasing	<u>8,000</u>	<u>11,000</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2021

9. **(Loss)/profit before taxation**

The loss before taxation (2020 - profit before taxation) is stated after charging/(crediting):

	2021	2020
	\$	\$
Depreciation - owned assets	67,730	72,098
Depreciation - assets on hire purchase contracts or finance leases	112,000	119,000
Auditors' remuneration	14,850	14,000
Auditors' remuneration for non audit work	11,321	18,097
Foreign exchange differences	<u>7,525</u>	<u>(1,587)</u>

10. **Taxation**

Analysis of tax (income)/expense

	2021	2020
	\$	\$
Current tax:		
Tax	-	222,280
Adjustments in respect of prior year	-	(9,047)
Total current tax	<u>-</u>	<u>213,233</u>
Origination and reversal of temporary differences	<u>(23,485)</u>	<u>(10,108)</u>
Total tax (income)/expense in statement of comprehensive income	<u>(23,485)</u>	<u>203,125</u>

Factors affecting the tax expense

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

	2021	2020
	\$	\$
(Loss)/profit before income tax	<u>(154,122)</u>	<u>1,034,848</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(29,283)	196,621
Effects of:		
Expenses not deductible in determining taxable profit	8,778	10,021
Adjustment in respect of prior years	-	(9,047)
Permanent capital allowances in excess of depreciation	12,869	15,638
Deferred tax timing difference	(23,485)	(10,108)
Losses carried forward	7,636	-
Tax (income)/expense	<u>(23,485)</u>	<u>203,125</u>

The tax charge is all in respect of UK corporation tax.

The corporation tax return will be filed by statutory deadline which is 31 December 2022. The corporation tax liability will be settled in sterling and as this will be paid within nine months after the balance sheet date, the amount payable will be subject to exchange rate movement.

Notes to the Financial Statements - continued
for the year ended 31 December 2021

11. **Tangible fixed assets**

	Short leasehold \$	Fixtures and fittings \$	Computer equipment \$	Totals \$
Cost				
At 1 January 2021	564,320	323,036	16,734	904,090
Impairments	(19,000)	-	-	(19,000)
At 31 December 2021	<u>545,320</u>	<u>323,036</u>	<u>16,734</u>	<u>885,090</u>
Depreciation				
At 1 January 2021	237,804	146,200	8,033	392,037
Charge for year	112,000	64,607	3,123	179,730
At 31 December 2021	<u>349,804</u>	<u>210,807</u>	<u>11,156</u>	<u>571,767</u>
Net book value				
At 31 December 2021	<u>195,516</u>	<u>112,229</u>	<u>5,578</u>	<u>313,323</u>
At 31 December 2020	<u>326,516</u>	<u>176,836</u>	<u>8,701</u>	<u>512,053</u>

12. **Debtors: amounts falling due within one year**

	2021 \$	2020 \$
Amounts owed by group undertakings	4,768,662	5,102,397
Other debtors	92,189	96,688
Tax	32,535	42,318
VAT	14,686	19,216
Prepayments and accrued income	75,438	62,200
	<u>4,983,510</u>	<u>5,322,819</u>

Included within the other receivables is an amount due in more than twelve months amounting to \$88,890 (2020 - \$88,890).

13. **Creditors: amounts falling due within one year**

	2021 \$	2020 \$
Leases (see note 15)	150,000	69,801
Trade creditors	4,713	7,392
Other creditors	13,195	14,622
Accruals and deferred income	36,082	27,566
	<u>203,990</u>	<u>119,381</u>

14. **Creditors: amounts falling due after more than one year**

	2021 \$	2020 \$
Leases (see note 15)	<u>109,000</u>	<u>252,000</u>

15. **Financial liabilities - borrowings**

	2021 \$	2020 \$
Current:		
Leases (see note 16)	<u>150,000</u>	<u>69,801</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2021

15. **Financial liabilities - borrowings - continued**

	2021 \$	2020 \$
Non-current:		
Leases (see note 16)	<u>109,000</u>	<u>252,000</u>

Terms and debt repayment schedule

	1 year or less \$	1-2 years \$	Totals \$
Leases	<u>150,000</u>	<u>109,000</u>	<u>259,000</u>

16. **Leasing**

Right-of-use assets

Tangible fixed assets

	2021 \$	2020 \$
Cost or valuation		
At 1 January 2021	564,320	564,320
Impairments	<u>(19,000)</u>	<u>-</u>
	<u>545,320</u>	<u>564,320</u>
Depreciation		
At 1 January 2021	237,804	118,804
Charge for year	<u>112,000</u>	<u>119,000</u>
	<u>349,804</u>	<u>237,804</u>
Net book value	<u>195,516</u>	<u>326,516</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2021

16. **Leasing - continued**

Lease liabilities

Minimum lease payments fall due as follows:

	2021 \$	2020 \$
Gross obligations repayable:		
Within one year	150,000	74,435
Between one and five years	109,000	260,110
	<u>259,000</u>	<u>334,545</u>
Finance charges repayable:		
Within one year	-	4,634
Between one and five years	-	8,110
	<u>-</u>	<u>12,744</u>
Net obligations repayable:		
Within one year	150,000	69,801
Between one and five years	109,000	252,000
	<u>259,000</u>	<u>321,801</u>

17. **Deferred tax**

	2021 \$	2020 \$
Deferred tax	<u>512</u>	<u>23,997</u>
		Deferred tax
		\$
Balance at 1 January 2021		23,997
Charge to profit or loss		(23,485)
Balance at 31 December 2021		<u>512</u>

18. **Called up share capital**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 \$	2020 \$
101	Ordinary	1.24303	<u>126</u>	<u>126</u>

19. **Pension commitments**

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total costs charged to income in respect of defined contribution plans is \$3,930 (2020 - \$4,383).

Notes to the Financial Statements - continued
for the year ended 31 December 2021

20. **Controlling party**

The immediate parent company is Lukoil International GMBH, a company registered in Austria. The ultimate parent company is PJSC Lukoil a company registered in Russia. The financial statements for PJSC Lukoil are available from 11, Sretensky Boulevard, Moscow, Russia, 101000.

The company is included in the consolidated financial statements of the ultimate parent company, referred to above.

21. **Related party transactions**

Remuneration of key management personnel

The remuneration of key management personnel, including directors, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

The remuneration of the directors, who are key management personnel, is disclosed in note 6.

Other information

The company has taken advantage of the exemption of FRS 101 not to disclose transactions with its parent company and wholly owned subsidiary. No transactions or balances with members of the group and fellow subsidiaries where wholly owned, have been disclosed.

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.