



**AS “DAUGAVPILS LOKOMOTĪVJU REMONTA RŪPNĪCA”**

CONSOLIDATE REPORT

For 2007

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**INFORMATION ON THE COMPANY**

<i>Name of the company</i>	DAUGAVPILS LOKOMOTĪVJU REMONTA RŪPNĪCA
<i>Legal status of the company</i>	Joint-stock company
<i>Number, place and date of registration</i>	Nr.40003030219 Riga, 03.10.1991. Commercial register Riga, 08.06.2004.
<i>Address</i>	Marijas street 1, Daugavpils LV-5401 Latvia
<i>Type of operations</i>	Repair and modernization of the mobile train
<i>Names, address and % of the share capital owned by company's shareholders</i>	AS SKINEST RAIL, reģ.10293440 (49,0%) Kadaka tee 1, 10621, Tallina, Igaunija  AS SPACECOM, reģ.10940566 (25,27%) Kadaka tee 1, 10621 Tallina Estonia  LLC LOKOMOTIIV IVESTEERINGUUD, reģ.11096115 (6,09%) Tartu street 18-18, 10115 Tallina Estonia  AAS "DORMAŠINVEST" reģ.001455963, OGRN 10277739059919 (5%) Moscow, Russia  VAS VSAA, Riga (3,2%) Lacplesha street 70a, LV-1011 Latvia
<i>Names and positions of Board members</i>	Physical persons (11,44%) Keskula Aivar – chairman of the board (from 29.10.2007) Šilovs Andrejs – member of the board (from 29.10.2007) Petrova Natālija – member of the board (from 29.10.2007) Steļmačenoks Kazimirs - member of the board (from 29.10.2007.)
<i>Names and position of Advice members</i>	Ossinovski Oleg – chairman of the advice (from 01.06.2006) Krasnoslok Juri – vice-chairman of the advice (from 01.06.2006) Ait Roman – member of the advice (from 01.06.2006) Barashkov Vasiluy – member of the advice (from 01.06.2006) Snatkin Aleksandr – member of the advice(from 07.05.2007)

## Report of the management.

### I. The key figures of the enterprise.

In 2007 year joint-stock company „Daugavpils Lokomotīvu Remonta Rūpnīca” has distributed goods for 11 976.3 thousand lats, which constitutes -73.7 % compared to the appropriate period of 2006.

Displayed below is the dynamics of the output of the production of the basic classification.

Table No.1

#### The basic classification of the production.

Designation	2007	2006	(+, -) thousands,Ls
Diesel locomotive repair, section	7 022.0	10 263.9	-3 241.9
Electric train repair, carriage	931.1	1 216.7	-285.6
Wheel pair repair, pieces	1 509.2	2 018.8	-509.6
Electric machines repair, pieces	777.9	1 063.0	-285.1
Diesel repair, peaces	524.90	318.4	+206.5
Other repair production	197.4	428.6	-231.2
Production reserve part	830.2	843.0	-12.8
Other production	183.6	107.7	+75.9
<b>Total</b>	<b>11 976.3</b>	<b>16 260.1</b>	<b>-4 283.8</b>

Table No.2

#### The structure of the distributed goods by the clients.

The client	2007		2006	
	sum	%	sum	%
Latvia	2 582.5	21.6	4 431.9	27.3
Lithuania	715.6	5.9	807.0	5.0
Estonia	1 477.3	12.3	1 388.6	8.5
Belarus	196.2	1.6	473.1	2.9
Uzbekistan	1 168.3	9.8	325.0	2.0
Russia	2 294.8	19.2	8 712.2	53.6
Other	3 541.6	29.6	122.3	0.7
<b>Total</b>	<b>11 976.3</b>	<b>100.0</b>	<b>16 260.1</b>	<b>100.0</b>

## **II. Financial figures.**

The enterprise finished 2007 year with financial result -1097.5 thousand lats.

The enterprise for the means of the increase of the turnover resources, has invested 771.5 thousand lats of investments, including:

- The purchase of the capital assets - 254.3 thousand lats
- Equipment - 331.6 thousand lats
- The classification of the factory - 9.0 thousand lats
- Furniture and equipment - 176.6 thousand lats

In 2007 fixed assets were revalued on 2 463 090 lats.

Chairman of the board

Aivar Keskuela

### **Statement of Director's responsibility**

The Board of Directors of the Joint Stock Company "DAUGAVPILS LOKOMOTĪVJU REMONTA RŪPNĪCA" (hereinafter – the Company) is responsible for the preparation of the interim financial statements of the Company. Interim financial statements of the Company are not audited.

The financial statements on pages 7 to 18 are prepared in accordance with the underlying accounting records and source documents and present fairly the financial position of the Company as of December 31, 2007 and the result of its operations and cash flows for year 2007.

The financial statements are prepared in accordance with International Financial Reporting Standards on a going concern basis. Appropriate accounting policies have been applied on a consistent basis. Prudent and reasonable judgements and estimates have been made by the Board of Directors in the preparation of the financial statements.

The Board of Directors of JSC "DAUGAVPILS LOKOMOTĪVJU REMONTA RŪPNĪCA" is responsible for the maintenance of proper accounting records, the safeguarding of the Company's assets and the prevention and detection of fraud and other irregularities in the Company. The Board of Directors is also responsible for operating the Company in compliance with the legislation of the Republic of Latvia.

Aivar Keskuela  
Chairman of the Board

February 28, 2008

AS "DAUGAVPILS LOKOMOTĪVJU REMONTA RŪPNĪCA"  
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**01.01.2008. balance Sheet**

0.702804

	<b>A S S E T S</b>			
	01.01.2008.		01.01.2007.	
	<b>LVL</b>	<b>EUR</b>	<b>LVL</b>	<b>EUR</b>
<b>NON CURRENT ASSETS</b>				
Property, plant and equipment:				
Land, buildings and networks	5 515 534	7 847 898	3 073 910	4 373 780
Machinery and equipment	1 169 921	1 664 648	805 923	1 146 725
Other property, plant and equipment	290 091	412 762	147 588	209 999
Construction in progress	61 991	88 205	331 980	472 365
<b>Total property, plant and equipment</b>	<b>7 037 537</b>	<b>10 013 513</b>	<b>4 359 401</b>	<b>6 202 869</b>
Embedding long-term financial				
Other embedding long-term financial				
Total embedding long-term financial				
<b>Total embedding long-term</b>	<b>7 037 537</b>	<b>10 013 513</b>	<b>4 359 401</b>	<b>6 202 869</b>
<b>CURRENT ASSETS</b>				
Inventory	6 214 994	8 843 140	4 733 500	6 735 164
<b>Debtors:</b>				
Debts custom, customer	2 921 863	4 157 436	3 310 980	4 711 100
Debts association enterprise				
Other debtors	270 340	384 659	282 014	401 270
Payment next periods	11 103	15 798	12 948	18 423
<b>Total debtors:</b>	<b>3 203 306</b>	<b>4 557 893</b>	<b>3 605 942</b>	<b>5 130 793</b>
<b>Cash and cash equivalents</b>	<b>120 660</b>	<b>171 684</b>	<b>33 151</b>	<b>47 170</b>
<b>Total current assets</b>	<b>9 538 960</b>	<b>13 572 717</b>	<b>8 372 593</b>	<b>11 913 127</b>
<b>TOTAL ASSETS</b>	<b>16 576 497</b>	<b>23 586 230</b>	<b>12 731 994</b>	<b>18 115 995</b>

AS "DAUGAVPILS LOKOMOTĪVJU REMONTA RŪPNĪCA"  
Report for 2007

**01.01.2008. balance Sheet**

0.702804

	<b>LIABILITIES</b>			
	01.01.2008.g.		01.01.2007.g.	
	<b>LVL</b>	<b>EUR</b>	<b>LVL</b>	<b>EUR</b>
SHAREHOLDER' EQUITY				
Share capital	8 294 219	11 801 610	8 294 219	11 801 610
Topheavy reserves	3 091 473	4 398 770	712 150	1 013 298
Previous year unappropriated result	-5 279 864	-7 512 570	-5 462 553	-7 772 513
Previous year unappropriated result	- 1 097 459	- 1 561 543	182 689	259 943
<b>Total shareholders' equity</b>	<b>5 008 369</b>	<b>7 126 267</b>	<b>3 726 505</b>	<b>5 302 339</b>
PROVISIONS	798 346	1 135 944	819 541	1 166 102
Other provisions	798 346	1 135 944	819 541	1 166 102
CREDITORS				
Long-term creditors				
Long-term loan from credit institution	2 281 364	3 246 089	2 789 918	3 969 696
<b>Total long-term creditors</b>	<b>2 281 364</b>	<b>3 246 089</b>	<b>2 789 918</b>	<b>3 969 696</b>
<b>Short-term creditors</b>				
Long-term loan from credit institution	3 455 468	4 916 688	1 989 677	2 831 055
Advances from customers	1 247 161	1 774 550	696 686	991 295
Debts provider and employer	2 916 753	4 150 165	2 170 010	3 087 646
Taxes and social guaranteeing payment	387 854	551 866	258 854	368 316
Other creditors	256 806	365 402	214 910	305 789
Deffered tax payment	43 932	62 510	43 932	62 510
Accumulated liabilities	180 444	256 749	21 961	31 248
<b>Total current liabilities</b>	<b>8 488 418</b>	<b>12 077 930</b>	<b>5 396 030</b>	<b>7 677 859</b>
<b>Total</b>	<b>10 769 782</b>	<b>15 324 019</b>	<b>8 185 948</b>	<b>11 647 555</b>
<b>TOTAL LIABILITIES</b>	<b>16 576 497</b>	<b>23 586 230</b>	<b>12 731 994</b>	<b>18 115 995</b>



## Profit or loss account

2007. g.

0.702804

	for 2007		for 2006	
	LVL	EUR	LVL	EUR
NET SALES	14 614 087	20 793 972	18 643 304	26 527 032
Cost of sales	12 672 653	18 031 561	17 881 972	25 443 754
GROSS PROFIT (LOSS)	1 941 434	2 762 411	761 332	1 083 278
Sales and distribution expenses	195 177	277 712	70 854	100 816
Administrative expense	2 313 666	3 292 050	716 481	1 019 461
Other operating income	159 525	226 984	391 342	556 830
Other expenses	572 732	814 924	117 840	167 671
Other credit expenses	331 237	471 308	209 254	297 742
Other credit income	292 927	416 798	225 089	320 273
Profit or loss before extraordinary post and taxes	-1 018 926	-1 449 801	263 334	374 691
Profit or loss before taxes	-1 018 926	-1 449 801	263 334	374 691
Corporate income tax of account period	0	0	43 932	62 510
Other taxes	78 533	111 742	36 713	52 238
Profit or losses report on period after taxes	-1 097 459	-1 561 543	182 689	259 943
Profit coefficient on stock	-0.132	-0.188	0.022	0.031

# AS "Daugavpils Lokomotīvu Remonta Rūpnīca"

Unified registration Nr. 40003030219

Address Daugavpils, Marijas iela 1

rate 0.702804

## Cash flow statement for 2007

### 1. Cash flow from operating activities

	31.12.2007 LVL		31.12.2007 EUR		31.12.2006 LVL		31.12.2006 EUR	
	income	expences	income	expences	income	expences	income	expences
Profit before taxes	0	1 018 926		1 449 801	263 334	0	374 690	0
<b>Adjustments:</b> depreciation	275 248	0	391 643	0	196 258	0	279 250	0
Provision	0	21 195	0	30 158		58 173	0	82 773
Profit or loss from fluctuacions of currency exchange		306 928	0	436 719		328 391	0	467 258
Provision decrease		83 767		119 189		133 017		189 266
Profit from operating activities before changes in working capital	0		0	0		22 000	0	31 303
Income from sale of fixed assets			0	0			0	0
<b>Adjustments:</b> a) Trade receivables (increase)/decrease	402 636		572 899	0	498 088			708 715
Stock (increase)/decrease		1 481 494		2 107 976	1 033 991		1 471 237	0
Trade payables increase/(decrease)	1 626 597		2 314 439	0	7 005 869		0	9 968 454
Gross cash flow operating activities	2 304 481	2 912 310	3 278 981	4 143 243	1 493 583	8 045 538	2 125 177	11 447 769
Corporate income and property tax paid	0	78 533	0	111 742		80 645	0	114 747
Cash flow before extraordinary items	2 304 481	2 990 843	3 278 981	4 255 586	1 493 583	8 126 183	2 125 177	11 562 517
<b>Net cash flow from operating activities</b>	<b>0</b>	<b>686 362</b>	<b>0</b>	<b>976 605</b>	<b>6 632 600</b>	<b>0</b>	<b>9 437 340</b>	

### II. Cash flows from investing activities

	31.12.2007 LVL		31.12.2007 EUR		31.12.2006 LVL		31.12.2006 EUR	
	income	expences	income	expences	income	expences	income	expences
Acquisition of fixed assets and intangible assets	0	507 276	0	721 789	0	1 852 878	0	2 636 408
Income from sale of fixed assets and intangible assets	16 982	0	24 163	0	171 224	0	243 630	0
Participation in other companies	0		0		0	0	0	0
<b>Net cash flow from investing activities</b>	<b>0</b>	<b>490 294</b>	<b>0</b>	<b>697 626</b>	<b>0</b>	<b>1 681 654</b>	<b>0</b>	<b>2 392 778</b>

### III. Cash flows from financing activities

	31.12.2007 LVL		31.12.2007 EUR		31.12.2006 LVL		31.12.2006 EUR	
	income	expences	income	expences	income	expences	income	expences
Loans from credit institution	1 829 750	0	2 603 500	0	2837414	0	4 037 276	0
Borrowing repaid	0	565 585	0	804 755		289 667	0	412 159
<b>Net cash flows from financing activities</b>	<b>1 264 165</b>	<b>0</b>	<b>1 798 745</b>	<b>0</b>	<b>2 547 747</b>	<b>0</b>	<b>3 625 117</b>	<b>0</b>

	31.12.2007 LVL		31.12.2007 EUR		31.12.2006 LVL		31.12.2006 EUR	
	income	expences	income	expences	income	expences	income	expences
Cash flow from operating activities	0	686 362	0	976 605	6 632 600	0	9 437 340	
Cash flows from investing activities	0	490 294	0	697 626	0	1 681 654	0	2 392 778
Cash flows from financing activities	1 264 165	0	1 798 745	0	2 547 747	3 625 117	0	
<b>Net cash flow of the current period</b>	<b>87 509</b>	<b>0</b>	<b>124 514</b>	<b>0</b>	<b>0</b>	<b>5 766 507</b>	<b>0</b>	<b>8 205 000</b>
Cash and cash equivalents at the beginning of the reporting period	33 151	0	47 170	0	5 777 658	0	8 220 867	0
Cash and cash equivalents at the end of the reporting period	120 660	0	171 684	0	11 151	0	15 866	0

## OVERVIEW OF EQUITY CAPITAL SHANGES

for 2007

0.702804

	on 31.12.2007.		on 31.12.2006.	
	LVL	EUR	LVL	EUR
<b>Share capital</b>				
Post-balance residue on 31.12.2006.	8 294 219	11 801 610	8 294 219	11 801 610
Increase	0	0	0	0
Decrease	0	0	0	0
Post-balance residue on 31.12.2007.	8 294 219	11 801 610	8 294 219	11 801 610
<b>Reserve of reassessment of the basic means</b>				
Post-balance residue on 31.12.2006.	712 150	1 013 298	786 913	1 119 676
Increase	2 463 090	3 504 661	0	0
Decrease	83 767	119 190	49 624	70 609
Post-balance residue on 31.12.2007.	3 091 473	4 398 770	737 289	1 049 068
<b>Retained profit</b>				
Post-balance residue on 31.12.2006.	-5 279 864	-7 512 570	-5 385 127	-7 662 345
Post-balance residue on 31.12.2007.	-6 377 323	-9 074 113	-5 271 773	-7 501 057
<b>Share capital (total)</b>				
Post-balance residue on 31.12.2006.	3 726 505	5 302 339	3 696 005	5 258 941
Post-balance residue on 31.12.2007.	5 008 369	7 126 267	3 759 735	5 349 621

## NOTES

### Accounting policies

#### 1. General principles

Annual accounts are prepared in accordance with the laws of the Republic of Latvia "On Accounting" and "On the Annual Accounts of Companies", IRFS.

The profit and loss account is prepared in accordance with the turnover module.

The statement of cash flows has been prepared using indirect cash flow method.

The accounting policies used by the Company are consistent with those used in the previous accounting period.

#### 2. Net sales

Net sales represent the total of goods and services sold during the year excluding discounts, value added tax and other taxes directly adjusted to sales.

Income is recognized according to the following principles:

income from operating activities - at the moment of emergence;

income from fines and overdue money - at the moment of gain;

dividends - from the moment when arise legal rights to receive them.

#### 3. Foreign currency translation into Lats

The Company maintains its accounts in Latvian Lats. All transactions denominated in foreign currencies are converted into Lats at the exchange rate set by the Bank of Latvia prevailing on the day on which the transactions took place.

Monetary assets and liabilities in foreign currencies are translated into Lats in accordance with the official exchange rate set by Bank of Latvia for the last day of the reporting period. The resulting profit or loss is charged to the profit and loss account.

	31.12.2007.	31.12.2006.
1 USD	0.484	0.536
1 EUR	0.702804	0.702804
1 LTL	0.204	0.204
1 EEK	0.0449	0.0449
1 RUB	0.0197	0.0203

#### 4. Fixed assets

Fixed assets are initially recorded at historic cost. In financial statements fixed assets are shown at historic cost or revalued amount of net depreciation. Increase in value arising on revaluation is shown in equity under "Long-term investments revaluation reserve".

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Depreciation is calculated on a straight-line basis to write down each asset to its estimated residual value over its estimated useful life period using the following annual rates set by the management:

	Depreciation % per year
Buildings	1-5
Plant and equipment	5-20
Other fixtures and fittings, motor vehicles	5-35

The Company capitalizes its fixed assets valued over Ls 100 with utilization period exceeding 1 year. Low value inventory is recorded at historical cost and charged to expenses 100% after putting into operation.

#### **5. Stock**

The stock cost has been determined using the first-in first-out method. Stock is recorded at the lowest market price and net realizable value. Required, slow moving, obsolete or damaged stock has been written down.

Within the production cost of stock are included the costs of used materials and other expenses that are directly connected with the production process as well as a respective part of administrative expenses.

#### **6. Accounts receivable**

Accounts receivables are recorded in the balance sheet at their net value, being original invoice amount less provisions made to cover anticipated loss on bad and doubtful accounts receivables. Provisions for bad and doubtful accounts receivables are established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of provisions for bad and doubtful accounts receivables is recorded as expenses in current financial year.

Debtors are recorded in the balance sheet at their net value less provisions made to cover anticipated loss on bad and doubtful accounts receivables. Specific provisions for doubtful accounts receivables are made when the recoverability of the specific debtor is considered by the Company's management to be uncertain. Bad debts are charged to the loss for the reporting year.

#### **7. Provisions for unused annual leave**

Amount of provision for unused annual leave is determined by multiplying the average wage of employees in the last six months of the reporting year per day by the amount of accrued but unused annual leave at the end of the reporting year.

## 8. Taxation

Corporate income tax for the reporting period is included in the financial statements based on the management's calculations prepared in accordance with the tax legislation of the Republic Latvian.

## 9. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, balances of current account with banks, short-term deposits with maturity up to 90 days and bank overdrafts. Bank overdrafts on the balance sheet are included within the item short-term "loans from credit institutions".

### 1. Net sales

	2007	2006
<b>According to operating activities</b>		
Products production	11 976 338	16 260 135
Spare parts sale	2 286 874	1 671 843
Other	350 875	711 326
<b>Total</b>	<b>14 614 087</b>	<b>18 643 304</b>
<b>According to the location</b>		
Income from export to Latvia	2 872 146	5 082 199
Income from export to Russia	2 319 017	8 747 629
Income from export to Lithuania	715 578	807 000
Income from export to Estonia	1 509 768	1 414 234
Income from export to Belarus	693 166	2 144 942
Income from export to Uzbekistan	1 168 294	325 000
Other	5 336 118	122 300
<b>Total</b>	<b>14 614 087</b>	<b>18 643 304</b>

### 2. Production costs

Goods delivery expenses	206 035	410 721
Row and material expenses	5 424 788	9 825 092
Purchase of diesel locomotives	2 217 192	1 639 725
Utility expenses	676 616	660 791
Salary expenses	3 078 989	3 657 416
Social insurance	733 464	865 897
Depreciation of fixed assets	241 572	196 258
Other production costs	93 997	626 072
<b>Total</b>	<b>12 672 653</b>	<b>17 881 972</b>

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**3. Selling expenses**

Transportation costs	195 177	70 854
Other selling expenses	0	0
<b>Total</b>	<b>195 177</b>	<b>70 854</b>

**4. Administrative expenses**

Training for cadre arrangement	10 828	-
Bank service	11 558	-
Salary expenses	1 243 493	336 075
Social insurance	292 691	79 670
Accrual for not current use leave	51 212	-
Office expenses	111 034	82 432
Advertising	188	1 135
Representation costs	6 226	3 800
Depreciation of fixed assets	74 795	65 085
Other administrative costs	511 641	148 284
<b>Total</b>	<b>2 313 666</b>	<b>716 481</b>

**5. Other operating income**

Income from fixed assets sale	16 981	171 224
Write of a reserve of the basic means	83 766	133 016
Incomes of the basic means	16 556	13 085
Other income	42 222	74 017
<b>Total</b>	<b>159 525</b>	<b>391 342</b>

**6. Other operating expenses**

Expenses of collective agreement	21 727	35 002
Net loss from sale of fixed assets	13 298	15 921
Pretax applied to expenses	517 129	12 383
Other expenses	20 578	54 534
<b>Total</b>	<b>572 732</b>	<b>117 840</b>

**7. Other taxes**

Real estate tax for land	6 294	7 624
Real estate tax for buildings	72 239	29 089
<b>Kopā</b>	<b>78 533</b>	<b>36 713</b>

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**8. Fixed assets**

	Land and buildings	Equipment and machinery	Other fixed assets and inventory	Fixed assets under construction	Total
<b>Cost / Valuation</b>					
<b>01.01.2007.</b>	<b>4 563 740</b>	<b>5 095 244</b>	<b>512 977</b>	<b>331 980</b>	<b>10 503 941</b>
Additions	66 532	509 261	186 210	492 548	1 254 552
Disposals	0	133 435	22 335	762 537	918 307
Reclassification	0	0	0	0	0
Revaluation	2 463 090	0	0	0	2 463 090
31.12.2007.	7 093 362	5 471 070	676 852	61 991	13 303 276
<b>Depreciation</b>					
<b>01.01.2007.</b>	<b>1 489 830</b>	<b>4 289 321</b>	<b>365 389</b>	<b>0</b>	<b>6 144 540</b>
Charge	88 000	143 542	43 707	0	275 249
Disposals	0	131 714	22 335	0	154 049
Reclassification	0	0	0		0
Corrections for previous year's error	0	0	0	0	0
31.12.2007.	1 577 830	4 301 149	386 761	0	6 265 740
<b>Net book value</b>					
<b>01.01.2007.</b>	<b>3 073 910</b>	<b>805 923</b>	<b>147 588</b>	<b>331 980</b>	<b>4 359 401</b>
<b>Net book value</b>					
<b>31.12.2007.</b>	<b>5 515 534</b>	<b>1 169 921</b>	<b>290 091</b>	<b>61 991</b>	<b>7 037 537</b>

**9. Incomplete products**

Unfinished production	3 107 994	2 710 651
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**10. Finished good and goods for sale**

Finished products on stock	582 953	400 129
Canteen	325	330
<b>Total</b>	<b>583 278</b>	<b>400 459</b>

**11. Trade receivables**

Registered price of trade debtors	2 921 863	3 310 980
<b>Total</b>	<b>2 921 863</b>	<b>3 310 980</b>



### 12. Other receivables

VAT overpaid	117 742	54 290
Corporate income tax overpaid	35 295	109 422
VAT accepted	68 978	72 926
Housing and Communal Service	2 378	2 611
Payments to personnel	386	1 232
Other debtors	45 561	41 533
<b>Total</b>	<b>270 340</b>	<b>282 014</b>

### 13. Deferred expenses

Payment for insurance	4 039	3 466
Other expenses	7 064	9 482
<b>Total</b>	<b>11 103</b>	<b>12 948</b>

### 14. Cash and bank

Cash in hand	297	67
Cash at bank	120 363	1 084
<b>Total</b>	<b>120 660</b>	<b>11 151</b>

### 15. Share capital

As at 31 December 2007 the subscribed and fully paid share capital consists of 8294219 ordinary shares with a nominal value of Ls 1 each.

### 16. Loans from credit institutions

Long-term part	2 281 364	2 789 918
Short-term part	3 455 468	1 989 677
<b>Total</b>	<b>5 736 832</b>	<b>4 779 595</b>

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**17. Advances received from consumers**

Latvia	102 848	181 760
Russia	602 229	217 932
Estonia	9 136	70 280
Other	532 948	226 714
<b>Total</b>	<b>1 247 161</b>	<b>696 686</b>

**18. Trade payables**

Long-term part	0	0
Short-term part	2 916 753	2 170 010

**19. Taxes and social insurance**

	01.01. 2007.	Calculated	Calculated penalty fees	(Paid)/ repaid		31.12.2007.
VAT	87 212	106 905	1 750	466 511	152 902	-117 742
Payroll tax	60 780	758 068	3 151	588 941	-85 264	147 794
Social insurance	109 384	1 384 389	4 448	1 082 214	-177 189	238 818
Corporate income tax	-109 422	0	0	35 424	109 551	-35 295
Real estate tax (land)	0	6 294	33	6 327	0	0
Real estate tax (buildings)	346	72 239	383	72 968	0	0
Natural resource tax	746	2 723	0	2 556	0	913
The state tax for company's business	386	4 163	2	4 222	0	329
<b>Total</b>	<b>149 432</b>	<b>2 334 781</b>	<b>9 767</b>	<b>2 259 163</b>		<b>234 817</b>

Hereof:

Liabilities/	258 854	387 854
(Overpaid)	109 422	153 037

**20. Average number of employees**

Average number of employees	1 346	1 648
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Aivar Keskuela

Chairman of the board