



**Joint stock company
SIGULDAS CILTSLIETU UN
MĀKSLĪGĀS APSEKLOŠANAS
STACIJA**

**INTERIM STATEMENT
for 9 months of 2013**

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Information on the Company

Company's name	<i>SIGULDAS CILTSLIETU UN MĀKSLĪGĀS APSĒKLOŠANAS STACIJA</i>
Company's legal status	<i>Joint stock company</i>
Registration number, place and date	<i>40003013295, Riga, 26 July 1991</i> <i>Registration in the Commercial Register on 19 June 2004</i>
Legal address	<i>„Kalnabeites”8, Sigulda parish, Sigulda area, LV-2150</i>
Shareholders holding more than 5% of the total number of voting shares	<i>SIA „Siguldas mākslīgās apsēklošanas stacija” (49.8%), registration No. 40003311954</i> <i>Oļegs Radčenko (5.18%)</i>
Members of the Board	<i>Nils Ivars Feodorovs, Chairman of the Board</i> <i>Sarmīte Arcimoviča, Member of the Board</i> <i>Valda Mālniece, Member of the Board</i>
Members of the Council	<i>Inīta Bedrīte, Chairman of the Council</i> <i>Maija Beča, Deputy Chairman of the Council</i> <i>Ērika Everte, Member of the Council</i> <i>Solvīta Arcimoviča, Member of the Council</i> <i>Jekaterina Kreise, Member of the Council</i>
Reporting year	<i>01.01.2013 – 30.09.2013</i>
Auditors	<i>Anita Sondore</i> <i>Sworn Auditor</i> <i>Certificate No. 129</i> <i>AUDITS A.S., SIA</i> <i>„Pīlādži”, Līgatne parish,</i> <i>Līgatne area, LV-4108, Latvia</i> <i>Sworn Auditors' Commercial Company's license No. 27</i>

Profit or loss account for the period ended 30 September 2013

	Note	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Net sales	3	576 429	589 159	820 184	838 297
Changes in stock of ready-made goods and unfinished products	4	14 388	10 374	20 472	14 762
Other operating income	5	3 613	4 480	5 140	6 374
Costs of materials:		(246 140)	(244 771)	(350 226)	(348 278)
a) raw materials and auxiliary costs of materials		(187 440)	(190 060)	(266 703)	(270 431)
b) other external costs		(58 700)	(54 711)	(83 523)	(77 847)
Personnel costs:	6	(226 363)	(229 605)	(322 085)	(326 698)
a) salaries for work		(178 280)	(182 076)	(253 670)	(259 071)
b) state social insurance compulsory contributions		(40 993)	(41 311)	(58 327)	(58 779)
c) other social insurance costs		(7 090)	(6 218)	(10 088)	(8 848)
Write-off of assets and values:		(25 443)	(31 301)	(36 202)	(44 536)
a) depreciation of fixed assets and amortization of intangible assets		(25 277)	(31 289)	(35 966)	(44 519)
b) write-off of value of current assets above the normal deductions		(166)	(12)	(236)	(17)
Other operating costs	7	(21 918)	(19 787)	(31 186)	(28 155)
Other interest income and similar income	8	2 333	2 620	3 320	3 728
Interest payments and similar costs	9	(2 427)	(2 827)	(3 453)	(4 023)
Profit or losses before taxes		74 472	78 342	105 964	111 471
Enterprise income tax for the reporting year		(8 266)	(7 286)	(11 761)	(10 367)
Other taxes	10	(1 133)	(1 119)	(1 612)	(1 593)
The profit or loss for the year		65 073	69 937	92 591	99 511
Equity per 1 share (EPS)	22	0.154	0.166	0.219	0.236

Notes on pages 9 to 21 form an integral part of these financial statements.

Nils Ivars Feodorovs
Chairman of the Board

Sarmīte Arcimoviča
Member of the Board

Valda Mālniece
Member of the Board

27 November 2013

Balance sheet as at 30 September 2013

Assets	Note	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Long-term investments					
Fixed assets					
Land parcels, buildings and constructions and perennial plantings		113 535	127 131	161 546	180 891
Equipment and machinery		47 213	43 325	67 178	61 646
Other fixed assets and inventory		6 680	4 594	9 505	6 537
<i>Fixed assets total</i>	12	167 428	175 050	238 229	249 074
Investment properties	13	85 000	95 000	120 944	135 173
Biological assets		50 057	41 441	71 224	58 965
Long-term financial investments					
Investments in capital of associated companies	14	59 003	58 615	83 954	83 402
Other securities and investments	15	480	480	683	683
<i>Long-term financial investments total</i>		59 483	59 095	84 637	84 085
Long-term investments total		361 968	370 586	515 034	527 297
Current assets					
Stock					
Raw materials, basic materials and auxiliary materials		13 347	12 669	18 990	18 026
Ready-made goods and goods for sale	16	350 715	347 194	499 022	494 012
Prepayments for goods		557	831	793	1 183
<i>Stock total</i>		364 619	360 694	518 805	513 221
Receivables					
Trade receivables	17	129 061	112 443	183 637	159 992
Other receivables	18	396	4 241	564	6 035
Prepaid expenses	19	3 160	3 190	4 497	4 539
<i>Receivables total</i>		132 617	119 874	188 698	170 566
Short-term financial investments					
Other securities and shareholding in capitals	20	21 864	21 805	31 110	31 026
<i>Short-term financial investments total</i>		21 864	21 805	31 110	31 026
Cash	21	157 925	149 319	224 707	212 461
Current assets total		677 025	651 692	963 320	927 274
Assets total		1 038 993	1 022 278	1 478 354	1 454 571

Balance sheet as at 30 September 2013

Shareholders' equity and liabilities	Note	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Shareholders' equity					
Share capital	22	422 440	422 440	601 078	601 078
Retained earnings:					
Retained earnings carried forward from previous years		492 374	477 138	700 585	678 906
Retained earnings of the reporting year		65 073	69 937	92 591	99 511
Shareholders' equity total		979 887	969 515	1 394 254	1 379 495
Provisions					
Other provisions	23	5 746	8 823	8 176	12 555
Provisions total		5 746	8 823	8 176	12 555
Payables					
Long-term payables					
Deferred tax liabilities	24	3 059	3 325	4 353	4 731
Long-term payables total		3 059	3 325	4 353	4 731
Short-term payables					
Prepayment received from customers		136	443	193	630
Trade payables		20 433	11 123	29 074	15 827
Taxes and social insurance payments	25	21 731	21 605	30 920	30 741
Other payables		8 001	7 444	11 384	10 592
Short-term payables total		50 301	40 615	71 571	57 790
Payables total		53 360	43 940	75 924	62 521
Shareholders' equity and liabilities total		1 038 993	1 022 278	1 478 354	1 454 571

Notes on pages 9 to 21 form an integral part of these financial statements.

Nils Ivars Feodorovs
Chairman of the Board

Sarmīte Arcimoviča
Member of the Board

Valda Mālniece
Member of the Board

27 November 2013

Cash flow statement for the period ended 30 September 2013

	Note	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Cash flow from operating activities					
Income from sale of goods and provision of services		647 810	700 209	921 750	996 307
Payments to suppliers, employees, other expenses arising from basic operations		(629 548)	(649 186)	(895 766)	(923 707)
Gross cash flow from basic operations		18 262	51 023	25 984	72 600
Expenses for enterprise income tax payments		(9 880)	(4 556)	(14 057)	(6 483)
<i>Net cash flow from operating activities</i>		8 382	46 467	11 927	66 117
Cash flow from investing activities					
Purchase of capital shares of associated company		(388)	(2 012)	(552)	(2 863)
Purchase of fixed assets and intangible investments		(22 149)	(13 796)	(31 514)	(19 629)
Income from exclusion of fixed assets		-	4	-	6
Dividends received		1 293	1 292	1 839	1 838
<i>Net cash flow from investing activities</i>		(21 244)	(14 512)	(30 227)	(20 648)
Cash flow from financing activities					
Subsidies received as a state support		3 613	4 476	5 140	6 368
Dividends paid		(42 244)	(42 244)	(60 108)	(60 108)
<i>Net cash flow from financing activities</i>		(38 631)	(37 768)	(54 968)	(53 740)
Result of foreign exchange rate fluctuations		(274)	125	(390)	177
Increase/ decrease of cash and its equivalents		(51 767)	(5 688)	(73 658)	(8 094)
Cash and its equivalents at the beginning of the period		209 692	155 007	298 365	220 555
Cash and its equivalents at the end of the period	21	157 925	149 319	224 707	212 461

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27 November 2013

**Statement on changes in shareholders' equity for the period ending
30 September 2013**

	Share capital	Retained earnings carried forward from previous years	Retained earnings for the reporting year	Shareholders' equity total
	LVL	LVL	LVL	LVL
31.12.2011	422 440	451 471	67 911	941 822
Profit for 2011 transferred to retained earnings of previous years	-	67 911	(67 911)	-
Dividends for 2011	-	(42 244)	-	(42 244)
Retained earnings for the reporting year	-	-	69 937	69 937
30.09.2012	422 440	477 138	69 937	969 515
31.12.2012	422 440	477 138	57 480	957 058
Profit for 2012 transferred to retained earnings of previous years	-	57 480	(57 480)	-
Dividends for 2012	-	(42 244)	-	(42 244)
Retained earnings for the reporting year	-	-	65 073	65 073
30.09.2013	422 440	492 374	65 073	979 887

	Share capital	Retained earnings carried forward from previous years	Retained earnings for the reporting year	Shareholders' equity total
	EUR	EUR	EUR	EUR
31.12.2011	601 078	642 386	96 628	1 340 092
Profit for 2011 transferred to retained earnings of previous years	-	96 628	(96 628)	-
Dividends for 2011	-	(60 108)	-	(60 108)
Retained earnings for the reporting year	-	-	99 511	99 511
30.09.2012	601 078	678 906	99 511	1 379 495
31.12.2012	601 078	678 906	81 787	1 361 771
Profit for 2012 transferred to retained earnings of previous years	-	81 787	(81 787)	-
Dividends for 2012	-	(60 108)	-	(60 108)
Retained earnings for the reporting year	-	-	92 591	92 591
30.09.2013	601 078	700 585	92 591	1 394 254

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27 November 2013

Notes to the Financial Statements

(1) General information on the Company

AS „Siguldas ciltslietu un mākslīgās apsēkļošanas stacija” (hereinafter - the Company) was registered in the Register of Enterprises of the Republic of Latvia on 26 July 1991 and was reregistered in the Commercial Register of the Republic of Latvia on 19 June 2004.

The Company’s basic activities are agriculture and the types of business are as follows:

- Production and sale of agricultural products – high-quality breeding animals semen,
- making of milk analyses,
- evaluation of cow exterior,
- artificial insemination of cows,
- milk recording data processing,
- animals breeding organization.

(2) Significant accounting principles

Underlying principles of preparation of the Financial Statements

The Company’s Financial Statements have been prepared according to the Law *On Annual Reports* of the Republic of Latvia. The Profit or Loss Account was prepared based on the period costs method. The Cash Flow Statement was prepared according to the direct method.

Accounting principles used

The items of the Financial Statements have been evaluated according to the following accounting principles:

- It is assumed that the Company will be a going concern;
- The same evaluation methods have been used, which were used in the previous year;
- Evaluation was done with sufficient prudence:
 - The Financial Statements include solely the profit gained until the balance sheet date,
 - All expected risk amounts and losses have been taken into account, which occurred during the reporting year or in previous years, also if they were known during a certain period of time between the balance sheets date and the day of preparing the Financial Statements,
 - All value decreasing and depreciation amounts have been taken into account irrespective whether the reporting year was closed with profit or loss;
- reporting year related income and costs were recognized irrespective of the payment date and the date of receipt or issuance of invoice. Costs have been agreed with the income in the reporting period;
- components of asset and liabilities items have been recognized separately;
- the opening balance of the reporting year agrees with the closing balance of the previous year;
- all items have been recognized, which materially influence assessment or decision-making process of the users of the annual report, insignificant items are merged and they are detailed in the Appendix;
- operating transactions in the reporting year have been recognized in the Financial Statements by taking into account their economic substance and contents, rather than legal form.

Financial instruments

Fair value of financial assets and liabilities

Fair value of financial assets and liabilities reflect the amount, for which it is possible to exchange assets or perform liabilities in a deal between well informed, interested and financially independent persons. If in the Company’s management opinion, fair value of financial assets and liabilities materially differs from the value recognized in the balance sheet, then the fair value of these assets and liabilities is recognized in the Notes to the Financial Statements.

Notes to the Financial Statements

Financial risks management

Credit risk

The Company's management has developed credit policy, which is constantly controlled. Client evaluation is done for all customers above a fixed amount. The Company cooperates with clients who have proper credit assessment.

Currency risk

Based on the current structure of Company's financial assets and liabilities held in foreign currencies, the currency risk is not material.

Reporting period

The reporting period is 9 months from 1 January to 30 September 2013.

Revaluation of foreign currencies

The Company's functional currency and the currency used in the Financial Statements is the Republic of Latvia national currency Lat (LVL). All transactions in foreign currencies are translated to Lats according to the exchange rate set by the Central Bank of Latvia on the day of making the respective transaction.

Monetary assets and liabilities, which are expressed in foreign currency, are translated to Lats to the exchange rate set by the Central Bank of Latvia on the last day of the reporting year.

	30.09.2013	30.09.2012
EUR	0.702804	0.702804
USD	0.521	0.546

Currency exchange rate differences arising from settlements in currencies or when recognizing assets and liabilities by using currency exchange rates, which differ from the initial currency exchange rates used for accounting of transactions, are recognized in the profit or loss account in net value.

Recognition of income

Income is recognized according to the conviction about the Company's possibility to gain economic benefit and in the amount, in which it is possible to state it, less value added tax and sales-related discounts. When recognizing income, also the following provisions are taken into account.

Sale of goods

Income is recognized when the Company has transferred to the purchaser major risks and indemnities related to the title of goods.

Provision of services

Income from services is recognized in the period when the services are provided.

Penalty and delay charges

Income from penalty and delay charges is recognized at the moment of their receipt.

Interest

Income is recognized according to the respective period of time.

Long-term and short-term items

Long-term items include amounts whose receipt, payments or write-off terms are due later after the end of the respective reporting year. Amounts, which are receivable, payable or written off during the year, are recognized in short-term items.

Notes to the Financial Statements

Leasing transactions

Financial leasing

In cases when fixed assets are purchased on the conditions of financial leasing and the related risks and return are taken over, these fixed assets are recognized in the value, for which they could be purchased with immediate payment. Leasing interest payments and similar payments are included in the profit or loss account of that period when they occurred.

Intangible assets and fixed assets

In the balance sheet, all intangible assets and fixed assets are reflected at their purchase prices, less depreciation. Depreciation is calculated from the first date of the next month after their commissioning and finished on the first date of the subsequent month after it is excluded from fixed assets. Depreciation is calculated according to the straight line method and is written off during the useful life time of respective fixed assets by choosing the following annual depreciation rates as fixed by the management:

Intangible assets:

Licenses	5 years
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Fixed assets:

Buildings and constructions	20 years
Equipment and machinery	5, 6 and 7 years
Computer hardware and communication equipment	5 years
Inventory and tools	3 and 5 years
Other fixed assets	2 and 3 years

Balances of fixed assets have been counted in the annual count of fixed assets.

Investment properties

Investment properties – land in possession of the stock company, which market value is expected to grow. Investment properties have been filed according to their purchase value. No later than on the end of the year of account the investments properties are being revalued according to their real market value considering any other activities related to particular property. Any changes in the market value of the investments properties are being shown in the profit and loss account.

Biological assets

Biological assets are assets, which are characterized by regeneration and changes in value as a result of growth. The Company in biological assets includes breeding animals – bulls, which are kept for getting agricultural products for sale. Biological assets are recognized in the purchase value.

Stock

Stock is recognized in the lowest cost or net sales value. All stock is assessed by using the average weighted method.

Net sales value is the sales price of stock fixed during normal Company's operations, less the stock completion and selling costs. In cases when the stock net selling value is lower than their cost price, provisions are made for these stocks for decrease of their value down to the net sales value.

All direct costs, which are related to production of breeding animals - bull semen, during the year are booked in the profit or loss account and are adjusted at the end of the year when evaluating stocks according to the lowest sales value or cost price and including them in stocks as “Ready-made goods and goods for sale”.

Notes to the Financial Statements

Trade receivables and other receivables

Receivables are recognized in the balance sheet in the amortized value, less provisions for doubtful and bad debts. Provisions for doubtful and bad debts are made in cases when there is objective evidence to the fact that the Company will not be able to receive the debts in full value according to the initially fixed repayment dates. Provisions for doubtful and bad debts are the difference between the amortized purchase value of receivables and the recoverable value. The recoverable value of receivables is the current value of planned cash flow.

Provisions

Provisions are recognized when the Company has liabilities (legal or substantial) due to some past event and there is a probability that the performance of these liabilities will require outflow of economic resources from the Company, and the amount of liabilities can be fairly assessed.

Corporate income tax

Corporate income tax for the reporting period consists of the tax calculated for the reporting period and deferred tax. Corporate income tax is recognized in the profit or loss account.

Calculated tax

The tax calculated for the reporting period has been calculated in compliance with the requirements of the Law “On Corporate Income Tax” by fixing the taxable income and applying the statutory rate of 15%.

Deferred tax

Deferred corporate income tax is calculated for temporary time differences, which are caused due to differences in the value of assets and liabilities in the financial statements (book-keeping) and its value for tax purposes. The mentioned differences are mainly due to different fixed assets depreciation rates applied in tax and financial accounting, provisions made and losses transferred according to the Company’s income tax declaration. Deferred tax is calculated by applying the statutory tax rate 15%.

Subsidies

Amounts, which are received as a state support for agricultural, i.e., for covering of expenses for maintaining high-quality breed bulls, are included in the income of that reporting period when they are received.

Use of assumptions

When preparing the financial statements, the Company’s management has to make calculations and assumptions, which impact recognition of assets and liabilities included in the financial statements as at the day of preparing the financial statements, as well as the income and expenses recognized in the specific reporting period. Management has made profit or loss assessment and considers that the financial statements reflect the true financial condition based on all currently available information.

Notes to the Financial Statements

(3) Net sales

Sales include income gained during the year from the Company's basic activities – sales of products and provision of services without value added tax and less discounts.

Type of operations	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Livestock sperm	308 222	311 105	438 560	442 662
Milk laboratory services	145 118	146 889	206 485	209 004
Treatment of supervisory data	55 298	55 685	78 681	79 233
Cow exterior appraisal	2 867	3 146	4 080	4 476
Artificial insemination of livestock	22 858	21 607	32 524	30 744
Immune-genetic laboratory services	-	1 092	-	1 554
Other income	42 066	49 635	59 854	70 624
	576 429	589 159	820 184	838 297

Distribution of net sales according to the geographical markets:

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Latvia	576 429	589 159	820 184	838 297
	576 429	589 159	820 184	838 297

Earnings from agricultural activities represented in net sales:

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Earnings from agricultural activities	576 429	589 159	820 184	838 297
	576 429	589 159	820 184	838 297

(4) Changes in stock of ready-made goods and unfinished products

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Changes in sperm stock value	12 900	18 550	18 354	26 395
Written-off sperm	(5 596)	-	(7 962)	-
Changes in stud bull herd value	7 084	(8 176)	10 080	(11 633)
	14 388	10 374	20 472	14 762

(5) Other operating income

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Revenue from exclusion of fixed assets	-	4	-	6
State support for agricultural	3 613	4 476	5 140	6 368
	3 613	4 480	5 140	6 374

Notes to the Financial Statements

(6) Personnel costs

	2013	2012	2013	2012
	LVL	LVL	EUR	EUR
Salaries for work	171 041	174 160	243 370	247 808
Life insurance with cash value accrual	7 239	7 916	10 300	11 263
State social insurance contributions	40 993	41 311	58 327	58 779
Health insurance	5 220	5 672	7 427	8 071
Other costs	1 870	546	2 661	777
	226 363	229 605	322 085	326 698

(7) Other operating expenses

	2013	2012	2013	2012
	LVL	LVL	EUR	EUR
Insurance payments	937	1 132	1 333	1 611
Business trip expenses	1 598	684	2 274	973
Selling expenses	1 691	1 743	2 406	2 480
The costs of accreditation and employee training	1 827	1 409	2 599	2 005
The costs of security services	669	776	952	1 103
Taxes applied on the vehicles	701	660	997	939
Company's management and administrative expenses	10 737	11 154	15 278	15 871
Other costs	3 758	2 229	5 347	3 173
	21 918	19 787	31 186	28 155

(8) Other interest income and similar income

	2013	2012	2013	2012
	LVL	LVL	EUR	EUR
Income from shareholding in the company capitals	1 293	1 292	1 839	1 838
Income from securities	31	117	45	166
Recovered doubtful and bad debts	1 009	1 211	1 436	1 724
	2 333	2 620	3 320	3 728

Notes to the Financial Statements

(9) Interest payments and similar costs

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Losses from foreign currency exchange rate fluctuations	183	719	261	1 023
Contractual penalties and fines	-	61	-	87
Employees' leisure and other costs not connected with operating activities	2 244	1 652	3 192	2 350
Other costs	-	395	-	563
	2 427	2 827	3 453	4 023

(10) Other taxes

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Real estate tax	1 133	1 119	1 612	1 593
	1 133	1 119	1 612	1 593

(11) Intangible assets

	Concessions, patents, licenses, trade marks and similar rights		Concessions, patents, licenses, trade marks and similar rights	
	Total	Total	Total	Total
	LVL	LVL	EUR	EUR
Initial value				
31.12.2012	720	720	1 024	1 024
Purchased	-	-	-	-
Disposed	-	-	-	-
30.09.2013	720	720	1 024	1 024
Accrued depreciation				
31.12.2012	718	718	1 022	1 022
Calculated depreciation	-	-	-	-
Depreciation of excluded investments	-	-	-	-
30.09.2013	720	720	1 024	1 024
Book value as at 31.12.2012	-	-	-	-
Book value as at 30.09.2013	-	-	-	-

Notes to the Financial Statements

(12) Report on movement of fixed assets

	Land, buildings and constructions	Technological equipment and machinery	Other fixed assets	Total
	LVL	LVL	LVL	LVL
Initial value				
31.12.2012	266 607	365 052	86 684	718 343
Purchased	-	19 556	2 592	22 148
Disposed	(935)	(47 597)	(3 208)	(51 740)
30.09.2013	265 672	337 011	86 068	688 751
Accrued depreciation				
31.12.2012	142 881	324 576	80 329	547 786
Calculated depreciation	10 152	12 819	2 267	25 238
Depreciation of excluded fixed assets	(896)	(47 597)	(3 208)	(51 701)
30.09.2013	152 137	289 798	79 388	521 323
Book value as at 31.12.2012	123 726	40 476	6 355	170 557
Book value as at 30.09.2013	113 535	47 213	6 680	167 428

As at 30 September 2012, the cadastral value of **real estate – land and constructions** - was LVL 110 291

As at 30 September 2013, the cadastral value of **real estate – land and constructions** - was LVL 110 968

	Land, buildings and constructions	Technological equipment and machinery	Other fixed assets	Total
	EUR	EUR	EUR	EUR
Initial value				
31.12.2012	379 348	519 422	123 341	1 022 111
Purchased	-	27 826	3 688	31 514
Disposed	(1 330)	(67 724)	(4 565)	(73 619)
30.09.2013	378 018	479 524	122 464	980 006
Accrued depreciation				
31.12.2012	203 302	461 830	114 298	779 430
Calculated depreciation	14 445	18 240	3 226	35 911
Depreciation of excluded fixed assets	(1 275)	(67 724)	(4 565)	(73 564)
30.09.2013	216 472	412 346	112 959	741 777
Book value as at 31.12.2012	176 046	57 592	9 043	242 681
Book value as at 30.09.2013	161 546	67 178	9 505	238 229

As at 30 September 2012, the cadastral value of **real estate – land and constructions** - was EUR 156 930

As at 30 September 2013, the cadastral value of **real estate – land and constructions** - was EUR 157 893

Notes to the Financial Statements

(13) Investment properties

	Land	Total	Land	Total
	LVL	LVL	EUR	EUR
Book value as at 31.12.2011	95 000	95 000	135 173	135 173
Increase/decrease of value due to revaluation	-	-	-	-
Book value as at 30.09.2012	95 000	95 000	135 173	135 173
Book value as at 31.12.2012	85 000	85 000	120 944	120 944
Increase/decrease of value due to revaluation	-	-	-	-
Book value as at 30.09.2013	85 000	85 000	120 944	120 944

(14) Investments in capital of associated companies

	2013		2012			
	% from total share capital	LVL	EUR	% from total share capital	LVL	EUR
Ltd “Animal Breeders Association of Latvia” (SIA „Latvijas šķirnes dzīvnieku audzētāju savienība”) Legal address: Republikas laukums 2, Rīga, LV-1010, Latvia	36.3	59 003	83 954	36.0	58 615	83 402
		59 003	83 954		58 615	83 402

(15) Other securities and investments

	LVL	EUR
Purchase value as at 30.09.2012	480	683
Book value as at 30.09.2012	480	683
Purchase value as at 30.09.2013	480	683
Book value as at 30.09.2013	480	683

(16) Ready-made products and goods for sale

	2013	2012	2013	2012
	LVL	LVL	EUR	EUR
Bull semen	341 602	337 560	486 055	480 304
Other goods for sale	9 113	9 634	12 967	13 708
	350 715	347 194	499 022	494 012

(17) Trade receivables

	2013	2012	2013	2012
	LVL	LVL	EUR	EUR
Accounting value of trade receivables	132 648	114 882	188 741	163 463
Provisions for doubtful trade receivables	(3 587)	(2 439)	(5 104)	3 471
	129 061	112 443	183 637	159 992

Notes to the Financial Statements

(18) Other receivables

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
VAT for received goods and services	160	834	228	1 186
Overpayment of taxes	-	2 358	-	3 355
Other receivables	236	1 049	336	1 494
	396	4 241	564	6 035

(19) Prepaid expenses

The item recognizes the costs made during the reporting year, but referring to the next reporting periods.

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Advertising costs	208	195	296	277
Insurance	2 223	2 306	3 163	3 282
Press and legislation updates' subscription	491	433	699	616
Other prepaid expenses	238	256	339	364
	3 160	3 190	4 497	4 539

(20) Other securities and shareholding in capitals

	Number	2013		Number	2012	
		Market price	Amount LVL		Market price	Amount LVL
SEB Lats reserve fund	15 044	1.45331	21 864	15 044	1.44941	21 805
			21 864			21 805

	Number	2013		Number	2012	
		Market price	Amount EUR		Market price	Amount EUR
SEB Lats reserve fund	15 044	2.06787	31 110	15 044	2.06232	31 026
			31 110			31 026

Money market fund shares have no guaranteed interest rate. In 2013 the profitability was 0.27 %. Exclusion of money market fund shares is carried out at the Company's request.

Notes to the Financial Statements

(21) Cash in LVL and foreign currencies according to the LCB exchange rate

Break-down of cash according to currencies:	2013		2012	
	Currency	LVL	Currency	LVL
Cash in hand	LVL	- 5 802	-	4 657
Cash in bank	LVL	- 151 952	-	144 138
Cash in bank	EUR	244 171	745	524
		157 925		149 319

Break-down of cash according to currencies:	2013		2012	
	Currency	EUR	Currency	EUR
Cash in hand	LVL	5 802 8 255	4 657	6 626
Cash in bank	LVL	151 952 216 208	144 138	205 090
Cash in bank	EUR	- 244	-	745
		224 707		212 461

(22) Share capital

The Company's shares are quoted on NASDAQ OMX Riga Stock Exchange's second listing. The Company's share capital consists of shareholders' investments. The total number of shares is 422 440, the nominal value per share is 1 Lat.

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Ordinary common shares with voting rights	421 440	421 440	599 655	599 655
Shares owned by the Board without voting rights	1 000	1 000	1 423	1 423
	422 440	422 440	601 078	601 078

421440 shares or 99.8% of the share capital are bearer shares, which give equal rights to receive dividends, receipt of liquidation quota and voting rights in the Shareholders' Meeting.

1000 shares or 0.2% of the share capital, which are not included in the regulated market, are personnel registered shares, which may be obtained only by Members of the Board, and they give equal rights only to receipt of dividend and liquidation quota.

There are no share alienation restrictions, nor the necessity to receive the Company's or other shareholders' consent for alienation of shares.

There are no restrictions on voting rights, nor any other similar restrictions.

Profit per share

Profit per one share is calculated by dividing the profit of the reporting period with the average weighted number of shares during the year.

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Profit of the reporting period	65 073	69 937	92 591	99 511
Average weighted number of shares during the year	422 440	422 440	422 440	422 440
	0.154	0.166	0.219	0.236

Notes to the Financial Statements

(23) Other Provisions

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Provisions for vacations	5 746	8 823	8 176	12 555
	5 746	8 823	8 176	12 555

(24) Provisions for deferred tax

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Temporary differences in fixed assets depreciation	26 141	30 992	37 195	44 098
Provisions for vacations	(5 746)	(8 823)	(8 176)	(12 555)
Total temporary differences	20 395	22 169	29 019	31 543
Deferred tax provisions at the beginning of the period	3 059	3 325	4 353	4 731
Increase or decrease	-	-	-	-
Deferred tax provisions at the end of the period	3 059	3 325	4 353	4 731

(25) Taxes and social insurance payments

Tax type	Balance as at 31.12.2012 LVL	Calculated in 2013 LVL	Paid in 2013 LVL	Balance as at 30.09.2013 LVL
Corporate income tax	1 614	8 266	(9 880)	-
Value added tax	4 032	81 862	(74 257)	11 637
Social insurance contributions	8 502	59 712	(61 797)	6 417
Personal income tax	5 079	33 806	(35 251)	3 634
Real estate tax	-	1 133	(1 133)	-
Nature resource tax	30	143	(140)	33
Business risk duty	9	81	(80)	10
Tax for the exploitation of the vehicles	-	331	(331)	-
Tax applied on company owned motorcars	-	370	(370)	-
	19 266	185 704	(183 239)	21 731
Including:	2012 LVL			2013 LVL
Tax overpaid	-			-
Tax due	19 266			21 731

Notes to the Financial Statements

Tax type	Balance as at 31.12.2012 EUR	Calculated in 2013 EUR	Paid in 2013 EUR	Balance as at 30.09.2013 EUR
Corporate income tax	2 296	11 761	(14 057)	-
Value added tax	5 737	116 480	(105 659)	16 558
Social insurance contributions	12 097	84 962	(87 929)	9 130
Personal income tax	7 227	48 102	(50 158)	5 171
Real estate tax	-	1 612	(1 612)	-
Nature resource tax	43	204	(200)	47
Business risk duty	13	115	(114)	14
Tax for the exploitation of the vehicles	-	471	(471)	-
Tax applied on company owned motorcars	-	526	(526)	-
	27 413	264 233	(260 726)	30 920
Including:	2012 EUR			2013 EUR
Tax overpaid	-			-
Tax due	27 413			30 920
Tax overpaid declared in position “Other receivables”				

(26) Number of persons employed by the Company

	2013	2012
Average number of persons employed during the reporting year	35	35

(27) Information on remuneration to Council, Board and Managements Members

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Council Members’ salaries for work, including state social insurance contributions	5 523	5 525	7 858	7 861
Board Members’ salaries for work, including state social insurance contributions	19 548	22 316	27 814	31 754
Total remuneration to management members	25 071	27 841	35 672	39 615

There are no special regulations worked out, which would regulate election of Board Members, changes in the composition of the Board and amending of the Articles of Association.

All Board Members have equal Company’s representation rights. The Chairman of the Board represents the Company separately, but other Board Members can represent the Company only both together.

There is no agreement signed between the Company and the Board Members, which provides any compensation.

Report on Management Liability

According to the information being at our disposal, the Interim statement for nine months of 2013 have been prepared according to the effective requirements of legislative enactments and provide a true and fair view about the joint stock company's “Siguldas ciltslietu un mākslīgās apsēklošanas stacija” assets, liabilities, financial condition and profit.

Interim statement for nine months of 2013 have not been audited by Sworn Auditor.

Nils Ivars Feodorovs

Chairman of the Board

Sarmīte Arcimoviča

*Member of the Board, Head
of Production and
Marketing Department*

Valda Mālniece

*Member of the Board, Head
of Financial and
Accounting Department*

27 November 2013