



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

**INTERIM STATEMENT
for 12 months of 2013**

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Information on the Company

Company's name	<i>SIGULDAS CILTSLIETU UN MĀKSLĪGĀS APSĒKĻOŠANAS 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 apsēkļošanas 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, holding 400 shares</i> <i>Sarmīte Arcimoviča, Member of the Board, holding 4 124 shares</i> <i>Valda Mālniece, Member of the Board, holding 14 260 shares</i>
Members of the Council	<i>Inīta Bedrīte, Chairman of the Council, holding 1 084 shares</i> <i>Maija Beča, Deputy Chairman of the Council, holding 3 066 shares</i> <i>Ērika Everte, Member of the Council, holding 2 208 shares</i> <i>Solvīta Arcimoviča, Member of the Council, holding 430 shares</i> <i>Jekaterina Kreise, Member of the Council, holding 3 683 shares</i>
Reporting year	<i>01.01.2013 – 31.12.2013</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>

Interim Management Report

Type of Operations

JSC „Siguldas ciltslietu un mākslīgās apsēklošanas stacija” (hereinafter referred to as the Company) is one of the largest high-quality breeding animals’ semen producers and suppliers in Latvia. The second largest Company’s basic area of business is making of milk analyses. In addition, the Company provides other related services – consultations on issues of cattle breeding, feeding and keeping, evaluation of cow exterior, artificial insemination of cows, milk recording data processing.

Brief Description of Company’s Activities in the Reporting Year and Financial Condition

The Company’s net turnover in 2013 was 764 thousand lats (1 087 thousand euro), which is 10 thousand lats (14 thousand euro) or 1.3% less than in 2012.

The proportion of income from Company’s basic economic activities in comparison to year 2012 has not changed substantially - the income from the sale of the bull semen comprises 53% of its net turnover while milk analyzing and data processing services, taken together, comprise 35%.

Compared to 2012, the profit before taxes for the year of account has decreased by 8 thousand lats (12 thousand euro) comprising 61 thousand lats (87 thousand euro). In 2013 the revaluation of the investment properties into the real value resulted in loss of 24 thousand lats (34 thousand euro).

The Company’s commercial profitability in 2013 was 8.0% comprising a decrease of 1.0% points against the 2012 year’s profitability.

In the reporting period, continuing to carry out its uncompromised objective to guarantee the most superb product quality in market, company has purchased new latest technology sperm assay equipment AndroVision, costing 21 thousand lats (29 thousand euro), thus modernizing the production of the breed bull semen.

Future Prospects and Development

By increasing the Company’s operational efficiency, the Company will continue to work in order to expand the scope of its products and the range of services provided.

Post-balance Sheet Events

During the time succeeding the closing of the balance sheet and the day of signing this Report there were no major events or extraordinary conditions, which influence the result for the year and the Company’s financial condition.

Branches and Representative Offices Abroad

The Company has no branches, nor any representative offices abroad.

Nils Ivars Feodorovs
Chairman of the Board

Sarmīte Arcimoviča
Member of the Board

Valda Mālniece
Member of the Board

27 February 2014

Profit or loss account for the period ended 31 December 2013

	Note	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Net sales	3	764 279	774 436	1 087 470	1 101 924
Changes in stock of ready-made goods and unfinished products	4	12 793	4 201	18 203	5 978
Other operating income	5	5 177	8 754	7 366	12 456
Costs of materials:		(324 985)	(325 041)	(462 412)	(462 492)
a) raw materials and auxiliary costs of materials		(246 952)	(249 960)	(351 381)	(355 661)
b) other external costs		(78 033)	(75 081)	(111 031)	(106 831)
Personnel costs:	6	(300 962)	(300 674)	(428 229)	(427 820)
a) salaries for work		(237 875)	(238 096)	(338 466)	(338 780)
b) state social insurance compulsory contributions		(55 458)	(55 685)	(78 909)	(79 232)
c) other social insurance costs		(7 629)	(6 893)	(10 854)	(9 808)
Write-off of assets and values:		(38 260)	(44 959)	(54 439)	(63 972)
a) depreciation of fixed assets and amortization of intangible assets		(33 746)	(41 468)	(48 016)	(59 004)
b) write-off of value of current assets above the normal deductions		(4 514)	(3 491)	(6 423)	(4 968)
Other operating costs	7	(29 032)	(30 046)	(41 309)	(42 751)
Other interest income and similar income	8	2 495	2 889	3 550	4 110
Interest payments and similar costs	9	(30 232)	(19 969)	(43 017)	(28 413)
Profit or losses before taxes		61 273	69 591	87 183	99 020
Enterprise income tax for the reporting year		(10 738)	(11 258)	(15 279)	(16 018)
Deferred tax	24	(139)	266	(197)	378
Other taxes	10	(1 133)	(1 119)	(1 612)	(1 593)
The profit or loss for the year		49 263	57 480	70 095	81 787
Equity per 1 share (EPS)	22	0.117	0.136	0.166	0.194

Notes on pages 10 to 22 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 February 2014

Balance sheet as at 31 December 2013

Assets	Note	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Long-term investments					
Fixed assets					
Land parcels, buildings and constructions and perennial plantings		110 177	123 726	156 768	176 046
Equipment and machinery		43 026	40 476	61 221	57 592
Other fixed assets and inventory		7 278	6 355	10 355	9 043
<i>Fixed assets total</i>	12	160 481	170 557	228 344	242 681
Investment properties	13	61 000	85 000	86 795	120 944
Biological assets		50 057	42 973	71 225	61 144
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		331 021	357 625	471 001	508 854
Current assets					
Stock					
Raw materials, basic materials and auxiliary materials		11 269	11 031	16 035	15 695
Ready-made goods and goods for sale	16	349 562	335 167	497 382	476 900
Prepayments for goods		486	218	691	310
<i>Stock total</i>		361 317	346 416	514 108	492 905
Receivables					
Trade receivables	17	100 230	78 758	142 614	112 064
Other receivables	18	1 885	1 274	2 683	1 812
Prepaid expenses	19	5 374	5 570	7 646	7 925
<i>Receivables total</i>		107 489	85 602	152 943	121 801
Short-term financial investments					
Other securities and shareholding in capitals	20	21 869	21 832	31 117	31 065
<i>Short-term financial investments total</i>		21 869	21 832	31 117	31 065
Cash	21	186 878	209 692	265 904	298 365
Current assets total		677 553	663 542	964 072	944 136
Assets total		1 008 574	1 021 167	1 435 073	1 452 990

Balance sheet as at 31 December 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		49 263	57 480	70 095	81 787
Shareholders' equity total		964 077	957 058	1 371 758	1 361 771
Provisions					
Other provisions	23	4 867	5 746	6 926	8 176
Provisions total		4 867	5 746	6 926	8 176
Payables					
Long-term payables					
Deferred tax liabilities	24	3 198	3 059	4 550	4 353
Long-term payables total		3 198	3 059	4 550	4 353
Short-term payables					
Prepayment received from customers		433	621	618	885
Trade payables		26 789	25 922	38 117	36 883
Taxes and social insurance payments	25	9 210	19 266	13 104	27 413
Other payables		-	9 495	-	13 509
Short-term payables total		36 432	55 304	51 839	78 690
Payables total		39 630	58 363	56 389	83 043
Shareholders' equity and liabilities total		1 008 574	1 021 167	1 435 073	1 452 990

Notes on pages 10 to 22 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 February 2014

Cash flow statement for the period ended 31 December 2013

	Note	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Cash flow from operating activities					
Income from sale of goods and provision of services		900 268	956 826	1 280 967	1 361 441
Payments to suppliers, employees, other expenses arising from basic operations		(849 823)	(844 070)	(1 209 190)	(1 201 003)
Gross cash flow from basic operations		50 445	112 756	71 777	160 438
Expenses for enterprise income tax payments		(13 054)	(4 556)	(18 574)	(6 483)
<i>Net cash flow from operating activities</i>		37 391	108 200	53 203	153 955
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		(23 670)	(19 482)	(33 679)	(27 720)
Income from exclusion of fixed assets		-	3 118	-	4 437
Dividends received		1 293	1 292	1 839	1 838
<i>Net cash flow from investing activities</i>		(22 765)	(17 084)	(32 392)	(24 308)
Cash flow from financing activities					
Subsidies received as a state support		5 177	5 636	7 366	8 019
Dividends paid		(42 244)	(42 244)	(60 108)	(60 108)
<i>Net cash flow from financing activities</i>		(37 067)	(36 608)	(52 742)	(52 089)
Result of foreign exchange rate fluctuations		(373)	177	(530)	252
Increase/ decrease of cash and its equivalents		(22 814)	54 685	(32 461)	77 810
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	186 878	209 692	265 904	298 365

Notes on pages 10 to 22 form an integral part of these financial statements.

Nils Ivars Feodorovs
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27 February 2014

**Statement on changes in shareholders' equity for the period ending
31 December 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	-	-	57 480	57 480
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	-	-	49 263	49 263
31.12.2013	422 440	492 374	49 263	964 077

	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	-	-	81 787	81 787
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	-	-	70 095	70 095
31.12.2013	601 078	700 585	70 095	1 371 758

Notes on pages 10 to 22 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 February 2014

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 12 months from 1 January to 31 December 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.

	31.12.2013	31.12.2012
EUR	0.702804	0.702804
USD	0.515	0.531

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	407 984	402 998	580 509	573 414
Milk laboratory services	194 928	197 068	277 358	280 402
Treatment of supervisory data	73 826	74 272	105 044	105 679
Cow exterior appraisal	3 533	3 849	5 027	5 476
Artificial insemination of livestock	29 957	28 736	42 625	40 888
Immune-genetic laboratory services	-	1 092	-	1 554
Other income	54 051	66 421	76 907	94 511
	764 279	774 436	1 087 470	1 101 924

Distribution of net sales according to the geographical markets:

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Latvia	764 279	774 436	1 087 470	1 101 924
	764 279	774 436	1 087 470	1 101 924

Earnings from agricultural activities represented in net sales:

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Earnings from agricultural activities	764 279	774 436	1 087 470	1 101 924
	764 279	774 436	1 087 470	1 101 924

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

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Changes in sperm stock value	15 668	21 740	22 293	30 934
Written-off sperm	(9 959)	(10 895)	(14 170)	(15 503)
Changes in stud bull herd value	7 084	(6 644)	10 080	(9 453)
	12 793	4 201	18 203	5 978

(5) Other operating income

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Revenue from exclusion of fixed assets	-	3 119	-	4 437
State support for agricultural	5 177	5 635	7 366	8 019
	5 177	8 754	7 366	12 456

Notes to the Financial Statements

(6) Personnel costs

	2013	2012	2013	2012
	LVL	LVL	EUR	EUR
Salaries for work	229 395	231 155	326 400	328 905
Life insurance with cash value accrual	9 182	9 441	13 064	13 433
State social insurance contributions	55 635	56 262	79 161	80 053
Changes in provisions for vacation reserve	(879)	(3 077)	(1 250)	(4 379)
Health insurance	5 220	5 640	7 427	8 024
Other costs	2 409	1 253	3 427	1 784
	300 962	300 674	428 229	427 820

(7) Other operating expenses

	2013	2012	2013	2012
	LVL	LVL	EUR	EUR
Insurance payments	1 074	1 428	1 529	2 032
Business trip expenses	1 822	2 157	2 593	3 070
Selling expenses	1 807	2 196	2 571	3 125
The costs of accreditation and employee training	1 860	1 409	2 646	2 005
The costs of security services	892	776	1 270	1 103
Taxes applied on the vehicles	1 219	870	1 734	1 238
Company's management and administrative expenses	13 920	15 198	19 807	21 624
Audit of the financial statement	1 200	1 300	1 707	1 850
Other costs	5 238	4 712	7 452	6 704
	29 032	30 046	41 309	42 751

(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	37	144	52	205
Recovered doubtful and bad debts	1 056	1 402	1 502	1 995
Other income	109	51	157	72
	2 495	2 889	3 550	4 110

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	59	418	84	594
Losses from investment property revaluation	24 000	10 000	34 149	14 229
Contractual penalties and fines	-	136	-	194
Employees' leisure and other costs not connected with operating activities	6 173	9 415	8 784	13 396
	30 232	19 969	43 017	28 413

(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	-	-	-	-
31.12.2013	720	720	1 024	1 024
Accrued depreciation				
31.12.2012	718	718	1 022	1 022
Calculated depreciation	-	-	-	-
Depreciation of excluded investments	-	-	-	-
31.12.2013	720	720	1 024	1 024
Book value as at 31.12.2012	-	-	-	-
Book value as at 31.12.2013	-	-	-	-

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	4 114	23 670
Disposed	(935)	(47 597)	(4 486)	(53 018)
31.12.2013	265 672	337 011	86 312	688 995
Accrued depreciation				
31.12.2012	142 881	324 576	80 329	547 786
Calculated depreciation	13 510	17 006	3 191	33 707
Depreciation of excluded fixed assets	(896)	(47 597)	(4 486)	(52 979)
31.12.2013	155 495	293 985	79 034	528 514
Book value as at 31.12.2012	123 726	40 476	6 355	170 557
Book value as at 31.12.2013	110 177	43 026	7 278	160 481

As at 31 December 2012, the cadastral value of **real estate – land and constructions** - was LVL 110 968

As at 31 December 2013, the cadastral value of **real estate – land and constructions** - was LVL 111 046

	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	5 853	33 679
Disposed	(1 330)	(67 724)	(6 383)	(75 437)
31.12.2013	378 018	479 524	122 811	980 353
Accrued depreciation				
31.12.2012	203 302	461 830	114 298	779 430
Calculated depreciation	19 223	24 197	4 541	47 961
Depreciation of excluded fixed assets	(1 275)	(67 724)	(6 383)	(75 382)
31.12.2013	221 250	418 303	112 456	752 009
Book value as at 31.12.2012	176 046	57 592	9 043	242 681
Book value as at 31.12.2013	156 768	61 221	10 355	228 344

As at 31 December 2012, the cadastral value of **real estate – land and constructions** - was EUR 157 893

As at 31 December 2013, the cadastral value of **real estate – land and constructions** - was EUR 158 004

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	(10 000)	(10 000)	(14 229)	(14 229)
Book value as at 31.12.2012	85 000	85 000	120 944	120 944
Increase/decrease of value due to revaluation	(24 000)	(24 000)	(34 149)	(34 149)
Book value as at 31.12.2013	61 000	61 000	86 795	86 795

(14) Investments in capital of associated companies

	2013		2012			
	% from total share capital		% from total share capital			
		LVL	EUR	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 31.12.2012	480	683
Book value as at 31.12.2012	480	683
Purchase value as at 31.12.2013	480	683
Book value as at 31.12.2013	480	683

(16) Ready-made products and goods for sale

	2013	2012	2013	2012
	LVL	LVL	EUR	EUR
Bull semen	343 521	329 184	488 787	468 387
Other goods for sale	6 041	5 983	8 595	8 513
	349 562	335 167	497 382	476 900

(17) Trade receivables

	2013	2012	2013	2012
	LVL	LVL	EUR	EUR
Accounting value of trade receivables	107 581	83 144	153 074	118 304
Provisions for doubtful trade receivables	(7 351)	(4 386)	(10 460)	(6 240)
	100 230	78 758	142 614	112 064

Notes to the Financial Statements

(18) Other receivables

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
VAT for received goods and services	483	423	688	601
Overpayment of taxes	702	-	999	-
Other receivables	700	851	996	1 211
	1 885	1 274	2 683	1 812

(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	477	577	678	821
Insurance	3 430	3 282	4 881	4 670
Press and legislation updates' subscription	803	812	1 142	1 155
Server maintenance and similar costs	242	433	344	616
Other prepaid expenses	422	466	601	663
	5 374	5 570	7 646	7 925

(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	1.45364	21 869	15 044	1.45122	21 832
			21 869			21 832

	Number	2013		Number	2012	
		Market price	Amount EUR		Market price	Amount EUR
SEB Lats reserve fund	15 044	2.06834	31 117	15 044	2.06490	31 065
			31 117			31 065

Money market fund shares have no guaranteed interest rate. In 2013 the profitability was 0.17 %. 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	- 280	-	2 503
Cash in bank	LVL	- 186 490	-	206 883
Cash in bank	EUR	153 108	435	306
		186 878		209 692

Break-down of cash according to currencies:	2013		2012	
	Currency	EUR	Currency	EUR
Cash in hand	LVL	280 398	2 503	3 562
Cash in bank	LVL	186 490 265 353	206 883	294 368
Cash in bank	EUR	- 153	-	435
		265 904		298 365

(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	49 263	57 480	70 095	81 787
Average weighted number of shares during the year	422 440	422 440	422 440	422 440
	0.117	0.136	0.166	0.194

Notes to the Financial Statements

(23) Other Provisions

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Provisions for vacations	4 867	5 746	6 926	8 176
	4 867	5 746	6 926	8 176

(24) Provisions for deferred tax

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Temporary differences in fixed assets depreciation	26 189	26 141	37 263	37 195
Provisions for vacations	(4 867)	(5 746)	(6 926)	(8 176)
Total temporary differences	21 322	20 395	30 337	29 019
Deferred tax provisions at the beginning of the period	3 059	3 325	4 353	4 731
Increase or decrease	139	(266)	197	(378)
Deferred tax provisions at the end of the period	3 198	3 059	4 550	4 353

(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 31.12.2013 LVL
Corporate income tax	1 614	10 738	(13 054)	(702)
Value added tax	4 032	107 922	(102 764)	9 190
Social insurance contributions	8 502	81 040	(89 542)	-
Personal income tax	5 079	45 781	(50 860)	-
Real estate tax	-	1 133	(1 133)	-
Nature resource tax	30	163	(173)	20
Business risk duty	9	108	(117)	-
Tax for the exploitation of the vehicles	-	403	(403)	-
Tax applied on company owned motorcars	-	816	(816)	-
	19 266	248 104	(258 862)	8 508
Including:	2012 LVL			2013 LVL
Tax overpaid	-			(702)
Tax due	19 266			9 210

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 31.12.2013 EUR
Corporate income tax	2 296	15 279	(18 574)	(999)
Value added tax	5 737	153 560	(146 221)	13 076
Social insurance contributions	12 097	115 310	(127 407)	-
Personal income tax	7 227	65 140	(72 367)	-
Real estate tax	-	1 612	(1 612)	-
Nature resource tax	43	232	(247)	28
Business risk duty	13	153	(166)	-
Tax for the exploitation of the vehicles	-	573	(573)	-
Tax applied on company owned motorcars	-	1 161	(1 161)	-
	27 413	353 020	(368 328)	12 105
Including:	2012 EUR			2013 EUR
Tax overpaid	-			(999)
Tax due	27 413			13 104
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	7 195	7 366	10 238	10 481
Board Members’ salaries for work, including state social insurance contributions	26 962	29 235	38 364	41 597
Total remuneration to management members	34 157	36 601	48 602	52 078

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 twelve 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 twelve 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 February 2014