



**Joint stock company
SIGULDAS CILTS LIETU UN
MĀKSLĪGĀS APSEKĻOŠANAS
STACIJA**

**INTERIM STATEMENT
for 3 months of 2014**

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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</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>01.01.2014 – 31.03.2014</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 31 March 2014

	Note	2014 EUR	2013 EUR
Net sales	3	260 064	244 748
Changes in stock of ready-made goods and unfinished products	4	13 449	14 005
Other operating income	5	2 094	1 726
Costs of materials:		(105 749)	(113 233)
a) raw materials and auxiliary costs of materials		(77 530)	(84 142)
b) other external costs		(28 219)	(29 091)
Personnel costs:	6	(110 285)	(101 424)
a) salaries for work		(86 416)	(79 067)
b) state social insurance compulsory contributions		(19 571)	(18 087)
c) other social insurance costs		(4 298)	(4 270)
Write-off of assets and values:		(11 201)	(13 795)
a) depreciation of fixed assets and amortization of intangible assets		(11 201)	(13 595)
b) write-off of value of current assets above the normal deductions		-	(200)
Other operating costs	7	(13 802)	(14 840)
Other interest income and similar income	8	1 288	720
Interest payments and similar costs	9	(910)	(1 295)
Profit or losses before taxes		34 948	16 612
Enterprise income tax for the reporting year		(4 068)	(3 176)
Other taxes	10	(1 635)	(1 612)
The profit or loss for the year		29 245	11 824
Equity per 1 share (EPS)	22	0.069	0.028

Notes on pages 9 to 20 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

22 May 2014

Balance sheet as at 31 March 2014

Assets	Note	2014 EUR	2013 EUR
Long-term investments			
Fixed assets			
Land parcels, buildings and constructions and perennial plantings		152 799	171 202
Equipment and machinery		55 263	49 947
Other fixed assets and inventory		9 284	8 143
Fixed assets total	12	217 346	229 292
Investment properties	13	86 795	120 944
Biological assets		62 495	61 144
Long-term financial investments			
Investments in capital of associated companies	14	83 954	83 954
Other securities and investments	15	683	683
Long-term financial investments total		84 637	84 637
Long-term investments total		451 273	496 017
Current assets			
Stock			
Raw materials, basic materials and auxiliary materials		14 478	13 534
Ready-made goods and goods for sale	16	539 702	511 261
Prepayments for goods		288	411
Stock total		554 468	525 206
Receivables			
Trade receivables	17	178 425	136 910
Other receivables	18	1 573	2 186
Prepaid expenses	19	32	152
Receivables total		180 030	139 248
Short-term financial investments			
Other securities and shareholding in capitals	20	31 127	31 088
Short-term financial investments total		31 127	31 088
Cash	21	273 396	278 013
Current assets total		1 039 021	973 555
Assets total		1 490 294	1 469 572

Balance sheet as at 31 March 2014

Shareholders' equity and liabilities	Note	2014 EUR	2013 EUR
Shareholders' equity			
Share capital	22	601 078	601 078
Retained earnings:			
Retained earnings carried forward from previous years		770 680	760 693
Retained earnings of the reporting year		29 245	11 824
Shareholders' equity total		1 401 003	1 373 595
Provisions			
Other provisions	23	6 926	8 176
Provisions total		6 926	8 176
Payables			
Long-term payables			
Deferred tax liabilities	24	4 550	4 353
Long-term payables total		4 550	4 353
Short-term payables			
Prepayment received from customers		473	483
Trade payables		36 260	51 609
Taxes and social insurance payments	25	28 256	20 925
Other payables		12 826	10 431
Short-term payables total		77 815	83 448
Payables total		82 365	87 801
Shareholders' equity and liabilities total		1 490 294	1 469 572

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Nils Ivars Feodorovs
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Member of the Board

22 May 2014

Cash flow statement for the period ended 31 March 2014

	Note	2014 EUR	2013 EUR
Cash flow from operating activities			
Income from sale of goods and provision of services		279 892	271 350
Payments to suppliers, employees, other expenses arising from basic operations		(270 056)	(290 485)
Gross cash flow from basic operations		9 836	(19 135)
Expenses for enterprise income tax payments		(4 068)	(2 151)
<i>Net cash flow from operating activities</i>		5 768	(21 286)
Cash flow from investing activities			
Purchase of capital shares of associated company		-	(552)
Purchase of fixed assets and intangible investments		(203)	(206)
<i>Net cash flow from investing activities</i>		(203)	(758)
Cash flow from financing activities			
Subsidies received as a state support		2 094	1 726
<i>Net cash flow from financing activities</i>		2 094	1 726
Result of foreign exchange rate fluctuations			
		(167)	(34)
Increase/ decrease of cash and its equivalents			
		7 492	(20 352)
Cash and its equivalents at the beginning of the period			
		265 904	298 365
Cash and its equivalents at the end of the period			
	21	273 396	278 013

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Nils Ivars Feodorovs
Chairman of the Board

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Member of the Board

22 May 2014

**Statement on changes in shareholders' equity for the period ending
31 March 2014**

	Share capital	Retained earnings carried forward from previous years	Retained earnings for the reporting year	Shareholders' equity total
	EUR	EUR	EUR	EUR
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)	-
Retained earnings for the reporting year	-	-	11 824	11 824
31.03.2013	601 078	760 693	11 824	1 373 595
31.12.2013	601 078	700 585	70 095	1 371 758
Profit for 2013 transferred to retained earnings of previous years	-	70 095	(70 095)	-
Retained earnings for the reporting year	-	-	29 245	29 245
31.03.2014	601 078	770 680	29 245	1 401 003

Notes on pages 9 to 20 form an integral part of these financial statements.

Nils Ivars Feodorovs
Chairman of the Board

Sarmīte Arcimoviča
Member of the Board

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Member of the Board

22 May 2014

Notes to the Financial Statements

(1) General information on the Company

AS „Siguldas ciltslietu un mākslīgās apsēklošanas 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 3 months from 1 January to 31 March 2014.

Revaluation of foreign currencies

The Company's functional currency and the currency used in the Financial Statements is euro (EUR) – the sole legal mean of payment in the Republic of Latvia since January 1, 2014. All transactions in foreign currencies are converted into euro according to the euro foreign exchange reference rate published by the European Central Bank on the day of particular transaction being performed.

All showings of the year 2013 have been converted into euro according to the fixed foreign exchange rate for converting lats into euro (1 EUR = 0.702804 LVL) determined by the Council of the European Union.

Monetary assets and liabilities, which are shown in foreign currencies, are converted into euro according to the fixed euro foreign exchange reference rate published by the European Central Bank on the last day of the reporting period.

	31.03.2014	31.03.2013
USD	1.37880	1.28484

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	10, 20, 25, 40 and 59 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	2014 EUR	2013 EUR
Livestock sperm	134 518	122 597
Milk laboratory services	69 856	67 784
Treatment of supervisory data	28 581	26 153
Cow exterior appraisal	1 798	1 540
Artificial insemination of livestock	8 674	9 144
Other income	16 637	17 530
	260 064	244 748

Distribution of net sales according to the geographical markets:

	2014 EUR	2013 EUR
Latvia	260 064	244 748
	260 064	244 748

Earnings from agricultural activities represented in net sales:

	2014 EUR	2013 EUR
Earnings from agricultural activities	260 064	244 748
	260 064	244 748

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

	2014 EUR	2013 EUR
Changes in sperm stock value	22 179	21 967
Written-off sperm	-	(7 962)
Changes in stud bull herd value	(8 730)	-
	13 449	14 005

(5) Other operating income

	2014 EUR	2013 EUR
State support for agricultural	2 094	1 726
	2 094	1 726

Notes to the Financial Statements

(6) Personnel costs

	2014	2013
	EUR	EUR
Salaries for work	83 364	75 272
Life insurance with cash value accrual	3 052	3 795
State social insurance contributions	19 571	18 087
Health insurance	3 095	3 095
Other costs	1 203	1 175
	110 285	101 424

(7) Other operating expenses

	2014	2013
	EUR	EUR
Insurance payments	1 424	1 298
Business trip expenses	491	667
Selling expenses	880	1 503
The costs of accreditation and employee training	224	1 011
The costs of security services	317	317
Taxes applied on the vehicles	34	105
Company's management and administrative expenses	7 675	8 143
Other costs	2 757	1 796
	13 802	14 840

(8) Other interest income and similar income

	2014	2013
	EUR	EUR
Income from securities	10	23
Income from foreign currency exchange rate fluctuations	61	-
Recovered doubtful and bad debts	1 217	697
	1 288	720

Notes to the Financial Statements

(9) Interest payments and similar costs

	2014 EUR	2013 EUR
Losses from foreign currency exchange rate fluctuations	-	567
Employees' leisure and other costs not connected with operating activities	910	728
	910	1 295

(10) Other taxes

	2014 EUR	2013 EUR
Real estate tax	1 635	1 612
	1 635	1 612

(11) Intangible assets

	Concessions, patents, licenses, trade marks and similar rights EUR	Total EUR
Initial value		
31.12.2013	1 025	1 025
Purchased	-	-
Disposed	-	-
31.03.2014	1 025	1 025
Accrued depreciation		
31.12.2013	1 025	1 025
Calculated depreciation	-	-
Depreciation of excluded investments	-	-
31.03.2014	1 025	1 025
Book value as at 31.12.2013	-	-
Book value as at 31.03.2014	-	-

Notes to the Financial Statements

(12) Report on movement of fixed assets

	Land, buildings and constructions	Technological equipment and machinery	Other fixed assets	Total
	EUR	EUR	EUR	EUR
Initial value				
31.12.2013	378 017	479 524	122 811	980 352
Purchased	-	-	203	203
Disposed	-	(33 529)	(629)	(34 158)
31.03.2014	378 017	445 995	122 385	946 397
Accrued depreciation				
31.12.2013	221 249	418 303	112 456	752 008
Calculated depreciation	3 969	5 958	1 274	11 201
Depreciation of excluded fixed assets	-	(33 529)	(629)	(34 158)
31.03.2014	225 218	390 732	113 101	729 051
Book value as at 31.12.2013	156 768	61 221	10 355	228 344
Book value as at 31.03.2014	152 799	55 263	9 284	217 346

As at 31 March 2013, the cadastral value of **real estate – land and constructions** - was EUR 157 893

As at 31 March 2014, the cadastral value of **real estate – land and constructions** - was EUR 158 004

(13) Investment properties

	Land	Total
	EUR	EUR
Book value as at 31.12.2012	120 944	120 944
Increase/decrease of value due to revaluation	-	-
Book value as at 31.03.2013	120 944	120 944
Book value as at 31.12.2013	86 795	86 795
Increase/decrease of value due to revaluation	-	-
Book value as at 31.03.2014	86 795	86 795

(14) Investments in capital of associated companies

	2014	2013
% from total share capital	% from total share capital	% from total share capital
	EUR	EUR
Ltd “Animal Breeders Association of Latvia” (SIA „Latvijas šķirnes dzīvnieku audzētāju savienība”)		
Legal address: Republikas laukums 2, Rīga, LV-1010, Latvia	36.3	36.3
	83 954	83 954
	83 954	83 954

Notes to the Financial Statements

(15) Other securities and investments

	EUR
Purchase value as at 31.03.2013	683
Book value as at 31.03.2013	683
Purchase value as at 31.03.2014	683
Book value as at 31.03.2014	683

(16) Ready-made products and goods for sale

	2014	2013
	EUR	EUR
Bull semen	523 007	502 880
Other goods for sale	16 695	8 381
	539 702	511 261

(17) Trade receivables

	2014	2013
	EUR	EUR
Accounting value of trade receivables	187 680	142 753
Provisions for doubtful trade receivables	(9 255)	(5 843)
	178 425	136 910

(18) Other receivables

	2014	2013
	EUR	EUR
VAT for received goods and services	239	1 496
Overpayment of taxes	999	-
Other receivables	335	690
	1 573	2 186

(19) Prepaid expenses

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

	2014	2013
	EUR	EUR
Insurance	17	23
Press and legislation updates' subscription	15	89
Other prepaid expenses	-	40
	32	152

Notes to the Financial Statements

(20) Other securities and shareholding in capitals

	2014			2013		
	Number	Market price	Amount EUR	Number	Market price	Amount EUR
SEB Euro reserve fund	15 044	2.069	31 127	15 044	2.06644	31 088
			<u>31 127</u>			<u>31 088</u>

Money market fund shares have no guaranteed interest rate. In 2014 the profitability was 0.12 %. Exclusion of money market fund shares is carried out at the Company's request.

(21) Cash in EUR and foreign currencies according to the European Central Bank's foreign exchange reference rates

Break-down of cash according to currencies:

		2014		2013	
		Currency	EUR	Currency	EUR
Cash in hand	LVL	-	-	2 972	4 229
Cash in hand	EUR	-	4138	-	-
Cash in bank	LVL	-	-	192 111	273 349
Cash in bank	EUR	-	269 258	-	435
			<u>273 396</u>		<u>278 013</u>

(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 (1.42 euro).

	2014 EUR	2013 EUR
Ordinary common shares with voting rights	599 655	599 655
Shares owned by the Board without voting rights	1 423	1 423
	<u>601 078</u>	<u>601 078</u>

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.

	2014 EUR	2013 EUR
Profit of the reporting period	29 245	11 824
Average weighted number of shares during the year	422 440	422 440
	<u>0.069</u>	<u>0.028</u>

Notes to the Financial Statements

(23) Other Provisions

	2014 EUR	2013 EUR
Provisions for vacations	6 926	8 176
	6 926	8 176

(24) Provisions for deferred tax

	2014 EUR	2013 EUR
Temporary differences in fixed assets depreciation	37 263	37 195
Provisions for vacations	(6 926)	(8 176)
Total temporary differences	30 337	29 019
Deferred tax provisions at the beginning of the period	4 550	4 353
Increase or decrease	-	-
Deferred tax provisions at the end of the period	4 550	4 353

(25) Taxes and social insurance payments

Tax type	Balance as at 31.12.2013 EUR	Calculated in 2014 EUR	Paid in 2014 EUR	Balance as at 31.03.2014 EUR
Corporate income tax	(999)	4 068	(4 068)	(999)
Value added tax	13 076	34 544	(33 952)	13 668
Social insurance contributions	-	28 281	(19 009)	9 272
Personal income tax	-	16 030	(10 798)	5 232
Real estate tax	-	1 635	(1 635)	-
Nature resource tax	28	71	(28)	71
Business risk duty	-	38	(25)	13
Tax for the exploitation of the vehicles	-	34	(34)	-
	12 105	84 701	(69 549)	27 257
Including:	2013 EUR			2014 EUR
Tax overpaid	(999)			(999)
Tax due	13 104			28 256
Tax overpaid declared in position “Other receivables”				

Notes to the Financial Statements

(26) Number of persons employed by the Company

	2014	2013
Average number of persons employed during the reporting year	<u>34</u>	<u>34</u>

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

	2014	2013
	EUR	EUR
Council Members' salaries for work, including state social insurance contributions	2 609	2 619
Board Members' salaries for work, including state social insurance contributions	<u>12 530</u>	<u>9 864</u>
Total remuneration to management members	<u>15 139</u>	<u>12 483</u>

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 three months of 2014 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 apsēkļošanas stacija" assets, liabilities, financial condition and profit.

Interim statement for three months of 2014 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*

22 May 2014