

AS „KURZEMES CILTSLIETU UN MĀKSLĪGĀS APSĒKLOŠANAS STACIJA”  
NEREVIDĒTS 2012.gada 9 mēnešu PĀRSKATS

Stock company

**„KURZEMES CILTSLIETU UN  
MĀKSLĪGĀS APSĒKLOŠANAS STACIJA”**  
*Reg.No. 40003017085*

***FINANCIAL REPORT***  
***Year 2012***  
***On September 30, 2012***

Jaunpils parish, Jaunpils district

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## Information about company

Name of the company	“Kurzemes ciltslietu un mākslīgās apsēkļošanas stacija” a/s
Legal status	Stock company
Registration No., place, date	<b>000301708</b> Rīga, 1991. gada 6.augustā Veikta pārreģistrācija Komercreģistrā 2004 gada 7. aprīlis ar vienoto reģistrācijas numuru 40003017085
Address	Jaunpils Jaunpils district LV-3145 Latvija
Share capital	On 30 September 2012 LVL 438000 (EUR 623218) Nominal value of one share LVL 1.00 (EUR 1.42) Total number of shares 438000 All shares are registered shares with equal voting rights in shareholders’ meetings and giving the right to receive dividends and liquidation quota. There are restrictions for the change of shareholders and do not exist any requirement for approval from the other shareholders of such change. There are no restrictions for voting rights and do not exist any similar restrictions.
Major share holders on April 17th, 2012.	Latv. šķirnes dzīvnieku audzētāju sav. SIA (37,25 %) JL INDEX SIA (11.98 %) Pēteris Augustovs (11.37 %)
Names and positions of Board members	Gatis Kaķis – Chairman of the Board Daiga Lielpinka – Member of the Board Sigita Lukaže – Member of the Board There are no special regulations for the election of the members of the board, for changes in the membership of the board and for making amendments to the articles of incorporation. The chairman of the board rerepresents the company individually. There is no agreement between the company and the members of the board about any kind of compensations.
Names and positions of Council members	Indra Martinšone –Chairman of the Council Maija Brunovska – Member of the Council Ināra Kanska – Member of the Council Haralds Mozgirs – Member of the Council Jānis Leimanis – Member of the Council
Audit Committee	The functions of the Auditing Commission are performed by the Supervisory Board of the company
Annual year	January 1st –September 30th, 2012
Name and address of the sworn auditor	Aivars Rutkis Zvērināta revidenta sertifikāts Nr. 18 Dainu iela 5 - 9, Dobeles, Dobeles district LV-3701, Latvija

## ADMINISTRATION REPORT

### Aspects:

1. Production and realization of high quality bioproduct of getters (boars and bulls);
2. Rendering of services connecting with pedigree work of animals and artificial insemination;
3. Collection of supervisory milk's standart;
4. Cultivation of grain and utility of agroservice.
5. Sales of food additives.

### Companie's work in year of account.

The net turnover of the company in the first half a year of 2012 is LVL 567428 (EUR 807377), profit after tax payment is LVL 49757 (EUR 70798).

The company has received subsidies in the amount of LVL 11219 (EUR 15963) in the accounting period. Subsidies are received regarding the maintenance of breeding animals and the EU area payments. There were two initiated projects for the reconstruction of bloodstock bull farm and acquisition of agriculture equipment completed.

Within the first half of 2012 the company has acquired fixed assets for the total amount of LVL 41527 (EUR 59088), including the use of resources provided by the European Union Structural Funds, the new agriculture equipment was acquired for the need of cultivation of grain – a disc cultivator LVL 12650 (EUR 17999) and a trail LVL 13742 (EUR 19553). There were two vehicles in the amount of LVL 10939 (EUR 15565) acquired for the need of logistics.

Twice a year, a review of the need for existing stocks in accordance with current market trends is carried out and surplus (self-produced) bio products are written off. The bio products with a high genetic quality can be stored and marketed for several years. The production cost of the written-off bio products is taken into account in pricing of the current products for sale, so that the existing stock creates no losses to the company.

### Exploratory and developmental measures.

Are not.

### Branches and agencies in abroad.

Are not.

### Management of finansial risk.

Activity of the company is subordinate different financial risks, including credit risk, foreign Exchange rate and interest rate vibrations risks. Public leadership trying to minimize negative effect of potencial risk on financial situation.

Company is subordinated foreign Exchange vibration risk, that arise from different currency. As it was LVL rate attached to EUR rate from 1-st of January 2005, will be limited LVL/EUR exchange fluctuations and not foreseeable its relevant effect on deffered financial results. Leadership of company considering possibility to accommodate instruments of risk limit for slow down USA dollar rate vibrations effect.

Financial resources, who potential subordinate company known concentration degree of credit risk, mostly are funds and buyer's and customer's debts. At the ending of accounting period the company there were no subordinate notable % from general buyer's and customer's debt quantity. The company is introducē and notice credit policy, realizeing goods on credit only for clients with good credithistory and not overdrawing and fixed credit quantity (amount) for each client. Buyer's and customer's debtsare arise in retrievable value. Companie's partners in fundsdealings are local financial institution with accordant credit history.

Company notice provident liquidity risk leading, provideing accordant credit resourses are available in determined time. The leadership of company consider that company will have enought cash resourses let to his liquidity not to be endangared.

## **Status and developments after year of account ending.**

There were no any notable developments in period of time since year of account last day to signing of this report that materially influence result of year account.

## **Perspective of future.**

1. To buy or lease agriculture land for the need of cultivation of grain.
2. To increase the selling volume of products and services, by performing the price policy improvements and attraction of new customers.
3. To develop the sales of food additives.
4. To perform partial internal repairs of the office building.

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Gatis Kaķis  
Chairman of the board

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Sigita Lukaže  
Member of the Board

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Daiga Lielpinka  
Member of the board

October 26th, 2012

**PROFIT OR LOSS STATEMENT**  
(on turnover cost method)

No	Item	No. of app ..	On September 30 2012 LVL	On September 30 2011 LVL	On September 30 2012 EUR	On September 30 2011 EUR
1.	Net turnover	1.	567428	509246	807377	724592
2.	Selling costs of finished goods	2.	(348238)	(286639)	(495498)	(407851)
3.	Gross profit or loss		219190	222607	311879	316741
4.	Selling costs	3.	(89551)	(91730)	(127420)	(130520)
5.	Administration costs	4.	(102323)	(103818)	(145592)	(147720)
6.	Other operating income	5.	25238	59521	35910	84691
7.	Other operating costs	6.	(212)	(1592)	(301)	(2265)
8.	Other interests receivable and similar income					
9.	Profit or loss before extraordinary items and taxes		52342	84988	74476	120927
10	Tax on profit for the financial year			(6000)		(8537)
11	Other taxes	7.	(2585)	(1984)	(3678)	(2823)
12	Profit or loss for the financial year after taxes		49757	77004	70798	109567
13	Profit on 1 share EPS		0.114	0.176	0.162	0.250

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Appendixes on pages 11 to 18 is a part of the financial report.

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### BALANCE on September 30, 2012

ASSETS	NO .of app	30.09. 2012. LVL	30.09. 2011. LVL	30.09. 2012. EUR	30.09. 2011. EUR
<b>1.Long term assets</b>					
I Intangible assets:					
1.Concessions, patents, licences, trade marks and others		1112	1280	1582	1821
<b>I TOTAL</b>	8.	<b>1112</b>	<b>1280</b>	<b>1582</b>	<b>1821</b>
II Tangible assets:					
1. Land and buildings, perennial plants		470735	389323	669796	553957
2. Equipment and machinery		69838	57646	99371	82023
3. Other fixtures and fittings, tools and equipment		9640	8850	13716	12592
4. Advance payment for assets			30393		43245
<b>II TOTAL</b>	9.	<b>550213</b>	<b>486212</b>	<b>782883</b>	<b>691817</b>
III Long term financial assets					
1. Other securities and capital participation		2480	2480	3529	3529
<b>III TOTAL</b>	10.	<b>2480</b>	<b>2480</b>	<b>3529</b>	<b>3529</b>
IV Biological assets					
1. Getter animals		39065	51763	55584	73652
<b>IV TOTAL</b>	11.	<b>39065</b>	<b>51763</b>	<b>55584</b>	<b>73652</b>
<b>Long term assets total</b>		<b>592870</b>	<b>541735</b>	<b>843578</b>	<b>770819</b>
<b>2.Current assets</b>					
I Stocks:					
1. Raw materials and consumables	12.	47763	42932	67961	61087
2. Work in progress	13.	4837	4837	6882	6882
3.Finished goods and goods for resale	14.	390321	428208	555377	609285
<b>I TOTAL</b>		<b>442921</b>	<b>475977</b>	<b>630220</b>	<b>677254</b>
III Debtors:					
1. Trade debtors		141857	100921	201844	143598
2. Other debtors		236	11420	336	16249
3. Next period costs					
<b>III TOTAL</b>	15.	<b>142093</b>	<b>112341</b>	<b>202180</b>	<b>159847</b>
IV Cash funds		77941	81205	110900	115544
<b>Current assets total</b>		<b>662955</b>	<b>669523</b>	<b>943300</b>	<b>952645</b>
<b>BALANCE</b>		<b>1255825</b>	<b>1211258</b>	<b>1786878</b>	<b>1723464</b>

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LIABILITIES	No. of app	30.09. 2012. LVL	30.09. 2011. LVL	30.09. 2012. EUR	30.09. 2011. EUR
<b>1.EQUITY CAPITAL</b>					
1. Company capital (share capital)		438000	438000	623218	623218
2. Reserves:					
a) Other reserves		188582	188582	268328	268328
3. Retained earnings:					
a) brought forward from previous years		449052	401695	638943	571560
b) brought forward from profit and loss account for the current annual year		49757	77004	70798	109567
<b>Provision for liabilities and charges total</b>		<b>1125391</b>	<b>1105281</b>	<b>1601287</b>	<b>1572673</b>
<b>2.Creditors</b>					
I Short term creditors:					
1.Suppliers of goods and services		21839	21924	31074	31195
2.Company income tax					
3.Taxes and social security payments		23230	19111	33053	27193
4. Other creditors		10985	12235	15630	17408
5. Next period income		56860	38000	80905	54069
6. Accumulated liabilities		17520	14707	24929	20926
II TOTAL	16.	<b>130434</b>	<b>105977</b>	<b>185591</b>	<b>150791</b>
<b>BALANCE</b>		<b>1255825</b>	<b>1211258</b>	<b>1786878</b>	<b>1723464</b>

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**OVERVIEW OF OWN CAPITAL CHANGES**

Item	Share capital LVL	Reserves LVL	Not distributed profit LVL	TOTAL LVL	Share capital EUR	Reserves EUR	Not distributed profit EUR	TOTAL EUR
<b>Left –over 31.12.2010.</b>	<b>438000</b>	<b>188582</b>	<b>432355</b>	<b>1058937</b>	<b>623218</b>	<b>268328</b>	<b>615186</b>	<b>1506732</b>
2011- profit			77004	77004			109567	109567
Dividendes			(30660)	(30660)			(43626)	(43626)
<b>Left –over 30.09.2011.</b>	<b>438000</b>	<b>188582</b>	<b>478699</b>	<b>1105281</b>	<b>623218</b>	<b>268328</b>	<b>681127</b>	<b>1572673</b>
<b>Left –over 31.12.2011.</b>	<b>438000</b>	<b>188582</b>	<b>470952</b>	<b>1097534</b>	<b>623218</b>	<b>268328</b>	<b>670104</b>	<b>1561650</b>
2012 - profit			49757	49757			70798	70798
Dividendes			(21900)	(21900)			(31161)	(31161)
<b>Left –over 30.09.2012.</b>	<b>438000</b>	<b>188582</b>	<b>498809</b>	<b>1125391</b>	<b>623218</b>	<b>268328</b>	<b>709741</b>	<b>1601287</b>

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## CASH FLOW OVERVIEW

No	Items of incomes and costs	On September 30 2012 LVL	On September 30 2011 LVL	On September 30 2012 EUR	On September 30 2011 EUR
<b>1.</b>	<b>Cash flow from operating activities</b>				
	<u>1.1 Profit or loss before extraordinary posts and taxes</u>	<b>52342</b>	<b>84988</b>	<b>75576</b>	<b>120927</b>
	Corrections:				
	a) depreciation of fixed assets				
	b) Loss from changes of foreign currency exchange rate	<b>(380)</b>	<b>(1257)</b>	<b>(541)</b>	<b>(1789)</b>
	<u>1.2. Profit from operating activities of the annual year</u>	<b>51962</b>	<b>83731</b>	<b>73935</b>	<b>119138</b>
	Corrections:				
	a) increase of left –overs of debtors debts	<b>29752</b>	<b>70877</b>	<b>42333</b>	<b>100849</b>
	b) decrease of stock	<b>33056</b>	<b>(31904)</b>	<b>47035</b>	<b>(45395)</b>
	c) decrease of creditors debts	<b>24457</b>	<b>(35651)</b>	<b>34799</b>	<b>(50727)</b>
	<u>1.3. Income from operating activities exceed over expenses</u>	<b>139227</b>	<b>87053</b>	<b>198102</b>	<b>123865</b>
	<u>1.4. Cash paid for taxes</u>	<b>(76243)</b>	<b>(85297)</b>	<b>(108484)</b>	<b>(121367)</b>
	<u>1.5. Cash flow before extraordinary posts</u>	<b>62984</b>	<b>1756</b>	<b>89618</b>	<b>2498</b>
	<u>1.6. Income from extraordinary posts</u>				
	<u>1.7. Net income from operating activities</u>	<b>62984</b>	<b>1756</b>	<b>89618</b>	<b>2498</b>
<b>2.</b>	<b>Investments cash flow</b>				
	2.1. Costs for fixed assets	<b>(41527)</b>	<b>(44637)</b>	<b>(59088)</b>	<b>(63513)</b>
	2.2. Income from sold fixed assets	<b>1276</b>	<b>60250</b>	<b>1816</b>	<b>85729</b>
	2.3. Income from interest				
	<u>2.4. Net costs of investment activities</u>	<b>(40251)</b>	<b>15613</b>	<b>(57272)</b>	<b>22216</b>
<b>3.</b>	<b>Financial activity cash flow</b>				
	3.1. Costs for dividends	<b>(21900)</b>	<b>(30660)</b>	<b>(31161)</b>	<b>(43626)</b>
	<u>3.2. Net costs of financial activities</u>	<b>(21900)</b>	<b>(30660)</b>	<b>(31161)</b>	<b>(43626)</b>
<b>4.</b>	<b>Increase or decrease of net cash</b>	<b>(833)</b>	<b>(13291)</b>	<b>(1185)</b>	<b>(18912)</b>
<b>5.</b>	<b>Left –over in the beginning of annual year</b>	<b>78774</b>	<b>94496</b>	<b>112085</b>	<b>134456</b>
<b>6.</b>	<b>Left –over in the end of annual year</b>	<b>77941</b>	<b>81205</b>	<b>110900</b>	<b>115544</b>

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## **APPENDIX TO THE ANNUAL REPORT**

### *I Book –keeping policy*

#### *1.General principles*

Annual report is made accordingly the laws of the Republic of Latvia “About book -keeping” and “About annual reports of companies”, and in conformity with the Republic of Latvia Cabinet of Ministers Regulations No. 481 and No. 488 adopted on 21.06.2011 and in effect from 01.07.2011.

Profit or loss statement has been prepared accordingly turnover cost scheme.

Cash flow overview was prepared stating operating cash flow after indirect method.

Comparing to the last year accounting and principles of valuation have not been changed.

Computer program “OFFICE LINE 2000” has been used for accounting in book -keeping.

Posts of the financial report are evaluated accordingly following principles:

- 1) taking into consideration that company will continue its activities;
- 2) using the same principles of valuation as in the previous year;
- 3) evaluation was made taking into consideration several terms:
  - profit included into report was gained by the balance date,
  - all foreseen risk amounts and loss that arised during the annual year or in previous years were taken into consideratio, as well as if they appear between balance date and preparation of annual report,
  - all value decrease and depreciation amounts were taken into consideration seperately from the year results with profit or loss.
- 4) all incomes and costs are included in profit or loss statement independently of purchase, invoice date. Expenses are integrated with incomes in accordant accounting period.
- 5) assets and liabilities were evaluated seperately;
- 6) the start balance of the annual year corresponds the end balance of the previous year;
- 7) all posts that might significantly impact evaluation or making conclusions of the annual report, are included;
- 8) all operating activities are recorded in the books and included in the annual report, taking into consideration not only the legal form but also economical content and idea.

#### *2.Income recognition and net turnover*

Net turnover is total amount of sold production and services during the year, deducting discounts and VAT. Incomes from sold goods are recognized when customer has accepted the goods accordingly the terms of delivery. Incomes from services are recognized when they are provided. Incomes from dividends are recognized when legal rights arise.

#### *3. Foreign currency exchange into lats*

Latvian lat is a monetary unit used in book –keeping and annual report.

Activities and deals made in foreign currency are recorded accordingly exchange rate stated by the Latvian Bank at the moment of the deal. At the end of the year foreign currency cash is evaluated accordingly exchange rate stated by the Latvian Bank on the last day of the annual period.

<i>Currency</i>	<b>30.09.2012</b>	<b>30.09.2011</b>
<i>USD</i>	0.546	0.516
<i>EUR</i>	0.702804	0.702804

Profit or loss coming from currency exchange changes are shown in Profit or loss statement

#### *4. Fixed assets*

Fixed assets are recorded with the purchase cost, decreasing depreciation and accumulated decrease of value. Purchase value includes direct cost of the fixed assets. Purchased computer programmes licence value is includes costs from licence purchase and costs that arise to put it into expluotion.

Depreciation is nor calculated for land. Depreciation for other assets is calculated using linear method. during the usage length of the assets. Management states following standard limits for the length of usage:

Buildings and constructions	20 and 50 years
Technological equipment and machinery	5; 6 un 7 years
Inventory	5 un 10 years
Accounting equipment ,etc..	5 years

Depreciation is calculated from 1-st date in next month after putting into operation. If liquidation value isn't essential (unequalled 5 % from middle turnover in 3 years), then it not to care for depreciation determination.

Further costs are included in actives balance value or is stated separately as asset because of high possibility that welth from this post will give income to the company and costs of this post can be evaluated. Such costs are written off during the usage period of the asset. When capitalizing costs of the reserve part, value of changed part will be written of in profit or loss statement.

Regular repair or maintenance costs are included in the profit or loss statement of that period. .

Profit or loss from fixed assets exclusion are calculated as diference between the balance value of the fixed asset and sells income, and are included in that period profit or loss statement.

#### *5. Fixed assets held for sale*

Fixed asset is to be considered as assets held for sale when it is prepared for immediate sale, the Company's management has decide to sell the assets and has initiated dynamic implementation of this decision. Fixed assets held for sale are included in balance sheet as current assets. Held for sale assets are evaluated at the lower of balance sheet value and fair value deducting expenses which will be needed to sell the asset.

If the decision is made not to sell asset previously specified as held for sale, it shall be immediately reclassified back to a proper long-term investment item. Such long-term investment is evaluated at the lower of balance sheet value of this asset before the transfer to held for sale assets and recoverable value of this asset on the moment of decision not to sell it.

#### *6. Stocks*

Raw materials a/s “Kurzemes CMAS” evaluate accordingly purchase value.. Production in progress is evaluated accordingly cost price. Finished goods are evaluated accordingly cost price. To evaluate the stock value, average weight value method is used (FIFO method). Old, slow turnover or faulty stock value decrease is written off in costs of the annual report

#### *7. Debtors and creditors*

Debtors` debts in balance are shown in amortized purchase value, decreasing accumulation for value decreasing. Accumulation for decreasing debts are made in cases when there are objective provements that Company will not get debts refunded in full amount accordingly stated terms . Accumulation amount is difference between the amount of the debt and refunded amount.

All creditor debts have to be refunded during one year. All tax debts in budget are for the current month.

## 8. Subsidies, dotations, EU funds

Means that have got from EU funds to purchase fixed assets are recorded as next period income that are included in incomes of fixed assets bought for EU funds cash during the period of usage.

Subsidies to cover expenses are recorded in incomes in the same period when the costs were registered, if all regulations meet the requirements regarding receiving dotations.

## 9. Taxes

All income tax costs of the annual period are calculated accordingly regulations of the Republic of Latvia. Company's activities are agriculture production. A big part of profit is made by state and EU funds, that are not taxed with Enterprise income tax. (EIT 6.chapter 4.p.2.p.), and also easements for the land used in agriculture(EIT 18.p). Company is not planning taxed incomes in coming years, therefore deffered enterprise income tax is not calculated.

## 10. Accumulated liabilities for non-used holidays expenses

Accumulated non-used holidays expenses cost amount is calculated multiplying average salary/ per day during last six month with number of not used holidays.

## 11. Cash and its equivalents

In cash flow statement cash and its equivalents consists of cash money and left –overs of running bank accounts

## 12. Biological assets

Biological assets of the company are getter animals belonging to the company (getter bulls, boars, stallions and mares), that are kept to get agriculture products for sale. Biological assets are recorded accordingly purchase cost.

## II INFORMATION for „Profit or loss statement”

No.	Items	30.09.12. LVL	30.09.11. LVL	30.09.12. EUR	30.09.11. EUR
<b>1.</b>	<b>Net turnover:</b>				
	1.1. Animal semen	312830	299317	445117	425890
	1.2. Artificial insemination services	51547	46809	73345	66603
	1.3. Livestock and other production	6405	4061	9113	5778
	1.4. Grain sale	84692	65969	120506	93866
	1.5. Linear evaluation of cows	33889	31499	48220	44819
	1.6. Milk sample collection	29874	30747	42507	43749
	1.7. Grain kiln services	3358	871	4778	1239
	1.8. Other	44833	29973	63791	42648
	<b>IN TOTAL</b>	<b>567428</b>	<b>509246</b>	<b>807377</b>	<b>724592</b>

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<b>2.</b>	<b>Productional expenses for sol production</b>				
	2.1. Labour costs	64389	71981	91617	102420
	2.2. Social insurance payments	15148	16829	21554	23946
	2.3. Depreciation deductions				
	2.4. Fodder costs	5573	6562	7930	9337
	2.5. Fuel costs	36500	34331	51935	48849
	2.6. Electricity costs	4906	5172	6980	7359
	2.7. Telecommunication services	1998	2202	2843	3133
	2.8. Repair services	17015	7822	24210	11130
	2.9. Gas costs	9426	7747	13412	11023
	2.10. Fertilizer and chemical costs				57662
		54338	40525	77316	
	2.11. Materials and spare parts	71656	52661	101957	74930
	2.12. Various services	21311	17822	30323	25358
	2.13. Other expenses	45978	22985	65421	32705
	<b>IN TOTAL</b>	<b>348238</b>	<b>286639</b>	<b>495498</b>	<b>407851</b>
<b>3.</b>	<b>Selling costs</b>				
	3.1. Labour costs	52010	55591	74004	79099
	3.2. Social insurance payments	12441	13282	17702	18899
	3.3. Transport costs	20205	19039	28749	27090
	3.4. Other expenses	4895	3818	6965	5432
	<b>IN TOTAL</b>	<b>89551</b>	<b>91730</b>	<b>127420</b>	<b>130520</b>
<b>4.</b>	<b>Administrative expenses</b>				
	4.1. Labour costs	53336	55491	75890	78957
	4.2. Social insurance payments	12742	13242	18130	18842
	4.3. Depreciation deductions				
	4.4. Transport costs	7013	7399	9979	10528
	4.5. Office expenses	9382	10882	13349	15484
	4.6. Other expenses	19850	16804	28244	23909
	<b>IN TOTAL</b>	<b>102323</b>	<b>103818</b>	<b>145592</b>	<b>147720</b>
<b>5.</b>	<b>Other operating income</b>				
	5.1. Realization of fixed assets	1276	38078	1816	54180
	5.2. Excise tax for diesel fuel used in agric.	3421	3606	4868	5132
	5.3. Subsidies from Agriculture Ministry	11219	15637	15963	22249
	5.4. Changes of currency exchange rate	380		540	
	5.5. EU funds	8877	2000	12631	2846
	5.6. Dividends of SIA Latvijas šķirnes dzīvnieku audzētāju savienības	60	100	85	142
	5.7. Other income	5	100	7	142
	<b>TOTAL</b>	<b>25238</b>	<b>59521</b>	<b>35910</b>	<b>84691</b>
<b>6.</b>	<b>Other operating costs</b>				
	6.1. Changes of currency exchange rate		1186		1688
	6.2. Other expenses	212	406	301	577
	<b>TOTAL</b>	<b>212</b>	<b>1592</b>	<b>301</b>	<b>2265</b>
<b>7.</b>	<b>Other taxes</b>				
	7.1. Nature resource tax				
	7.2. Property tax	2585	1984	3678	2823
	<b>TOTAL</b>	<b>2585</b>	<b>1984</b>	<b>3678</b>	<b>2823</b>

*III Information on balance on September 30, 2012*

Nr. p. k.		Start value LVL	Depreciation LVL	Current value LVL	Start value EUR	Depreciation EUR	Current value EUR
<b>8.</b>	<b>Intangible investments</b>						
	8.1.Computer programmes	2418	1306	1112	3440	1858	1582
	<b>Total</b>	<b>2418</b>	<b>1306</b>	<b>1112</b>	<b>3440</b>	<b>1858</b>	<b>1582</b>
<b>9.</b>	<b>Tangible assets</b>						
	9.1. Land, buildings, perennial plants	491781	21046	470735	699741	29945	669796
	Including land	213049		213049	303141		303141
	9.2. Technological equipment and machinery	383906	314068	69838	546249	446878	99371
	9.3. Other fixed assets and inventory	28090	18450	9640	39968	26252	13716
	9.4. Advance payment for assets						
	<b>Total</b>	<b>903777</b>	<b>353564</b>	<b>550213</b>	<b>1285958</b>	<b>503075</b>	<b>782883</b>

Nr. p. k.		30.09.12. LVL	30.09.11. LVL	30.09.12. EUR	30.09.11. EUR
<b>10.</b>	<b>Long term financial assets</b>				
	10.1. 2000 shares in SIA “Latvijas šķirnes dzīvnieku audzētāju savienība” with value LVL 1.00 or 1.67 % of fixed capital	2000	2000	2846	2846
	10.2. 16 shares in SIA “Piensaimnieku laboratorija” with value LVL 30.00 or 7.41 % of fixed capital	480	480	683	683
	<b>TOTAL</b>	<b>2480</b>	<b>2480</b>	<b>3529</b>	<b>3529</b>
<b>11.</b>	<b>Biological assets</b>				
	11.1. Getter bulls	31718	45577	45130	64850
	11.2. Getter boars	7347	6186	10454	8802
	<b>TOTAL</b>	<b>39065</b>	<b>51763</b>	<b>55584</b>	<b>73652</b>
<b>12.</b>	<b>Raw materials and consumables</b>				
	12.1. Materials	14670	11154	20874	15871
	12.2. Mineral fertilizers and chemicals	2888	525	4109	747
	12.3. Fuel and lubricants	21336	22924	30359	32618
	12.4. Wood	3229	3186	4594	4533
	12.5. Grain and seedcorn	1045	1045	1487	1487
	12.6. Animal feed	4595	4098	6538	5831
	<b>TOTAL</b>	<b>47763</b>	<b>42932</b>	<b>67961</b>	<b>61087</b>
<b>13.</b>	<b>Production in progress</b>				

AS „KURZEMES CILTSLIETU UN MĀKSLĪGĀS APSĒKLOŠANAS STACIJA”  
NEREVIDĒTS 2012.gada 9 mēnešu PĀRSKATS

	13.1. Winter crops	4837	4837	6882	6882
	<b>TOTAL</b>	<b>4837</b>	<b>4837</b>	<b>6882</b>	<b>6882</b>
<b>14.</b>	<b>Finished goods and goods for resale</b>				
	14.1. Frozen bulls sperm	390304	428191	555353	609261
	14.2. Boars sperm				
	14.3. Frozen stallions sperm	17	17	24	24
	<b>TOTAL</b>	<b>390321</b>	<b>428208</b>	<b>555377</b>	<b>609285</b>
<b>15.</b>	<b>Debtors</b>				
	15.1.1. Trade debtors	146587	104572	208574	148793
	15.1.2. Accumulation for debts	4730	3651	6730	5195
	15.1.3. Balance value of trade debts	<b>141857</b>	<b>100921</b>	<b>201844</b>	<b>143598</b>
	15.2. Overpaid company income tax		10810		15381
	15.3. Payments for advance amounts	236	610	336	868
	<b>TOTAL</b>	<b>142093</b>	<b>112341</b>	<b>202180</b>	<b>159847</b>
<b>16.</b>	<b>Short term liabilities</b>				
	16.1. Suppliers of goods and services	21839	21924	31074	31195
	16.2. Accounts with budget for income tax				
	16.3. Accounts with budget for VAT	12577	7831	17895	11143
	16.4. Accounts with budget for inhab. income tax	3822	4065	5438	5784
	16.5. Accounts with budget for social insurance tax	6831	7215	9720	10266
	16.6. Accounts with budget for DR tax		160		227
	16.7. Accounts with in advance paid amounts				
	16.8. Amounts expended for advance	77		110	
	16.9. Accounts with salaries	10908	12075	15520	17181
	16.10. Accrued liabilities to suppliers				
	16.11. Accumulation for vacation	17520	14707	24929	20926
	16.12. Deferred income from EU financing for the reconstruction and modernisation of boar barn.	56860	38000	80905	54069
	<b>TOTAL</b>	<b>130434</b>	<b>105977</b>	<b>185591</b>	<b>150791</b>



#### *IV General information*

Average number of employees in a/s “Kurzemes CMAS” on 30th of September 2012 was 36, receiving salaries in total amount of 169735 LVL (241511 EUR). Calculated social 40331 LVL (57386 EUR).

Members of the Board receive monthly reimbursement for execution of functions in the amount of 180 LVL. Members of the Council receive monthly reimbursement for execution of functions in amount of LVL 100.00 per month after taxes. President of the Council receives monthly reimbursement for execution of functions in amount of LVL 150.00 per month after taxes.

The company has no transactions with related persons. The company has not granted any guarantees, warranties and pledges, nor is there any legal action.

## STATEMENT ABOUT MANAGEMENT LIABILITY

According to our information financial report for the 9 months of 2012 has been prepared according to the existing legislative requirements and gives a real and clear idea about joint stock company's „Kurzemes ciltslietu un mākslīgās apsēklošanas stacija” assets, liabilities, financial situation and profits.

The information that has been included in the management report is veritable.

The board of stock company „Kurzemes ciltslietu un mākslīgās apsēklošanas stacija”:

Chairman of the board GATIS KAĶIS

Member of the board SIGITA LUKAŽE

Member of the board DAIGA LIELPINKA