Thanh Thanh Cong Tay Ninh Joint Stock Company (formerly known as Société De Bourbon Tay Ninh)

Financial Statements for the year ended 31 December 2013

Thanh Thanh Cong Tay Ninh Joint Stock Company
(formerly known as Société De Bourbon Tay Ninh)
Corporate information

Investment Licence No.	1316/GP	15 July 1995
Investment Certificates No.	451031000014	23 March 2007
	The Investment Licence No.1316/GP was issued by Planning and Investment Department of Tay Ninh Province and is valid for 50 years. The Company's Investment Certificate has been amended thirteen times, the most recent of which is Investment Certificates No. 451031000014 dated 2 December 2013. The Investment Certificates and its amendments were issued by the Planning and Investment Department of Tay Ninh Province and are valid for 50 years from the date of the Investment Licence.	
Board of Management	Ms. Dang Huynh Uc My	Chairwomen
	Mr. Le Van Dinh	Vice chairman
	Mr. Vo Tong Xuan	Member
	Mr. Pham Hong Duong	Member (from 1 March 2013)
	Ms. Tran Que Trang	Member (until 28 February 2013)
	Mr. Thai Van Chuyen	Member
Board of Director	Mr. Nguyen Ba Chu	General Director
	Ms. Truong Thi Hong	Deputy General Director
	Mr. Trinh Minh Chau	Deputy General Director (until 20 May 2013)
	Mr. Nguyen Hoang Tuan	Deputy General Director (from 15 July 2013)
	Mr. Nguyen Van De	Deputy General Director (from 15 July 2013)
	Mr. Pham Hong Duong	Deputy General Director (until 1 March 2013)
	Mr. Dinh Van Hiep	Deputy General Director (from 1 July 2013)
	Mr. Kumarasamy Nallaiyan	Agriculture Director (until 15 January 2013)
	Ms. Duong Thi To Chau	Commercial Director
	Mr. Nguyen Thanh Khiem	Factory Director
	Mr. Nguyen Quoc Viet	Support Director (until 1 January 2013)
	Mr. Le An Khang	Support Director (from 1 February 2013, until 1 June 2013)
Supervisor Board	Ms. Nguyen Thuy Van	Chief Supervisor
	Mr. Le Nho Dinh	Member (from 25 April 2013)
	Mr. Le Van Hoa	Member (from 25 April 2013)
	Mr. Nguyen Trong Hoa	Member (until 25 April 2013)
	Mr. Nguyen Tien Cuong	Member (until 25 April 2013)

Registered Office	Tan Hung Commune Tan Chau District, Tay Ninh Province Vietnam
Auditors	KPMG Limited Vietnam

Thanh Thanh Cong Tay Ninh Joint Stock Company
(formerly known as Société De Bourbon Tay Ninh)
Statement of the Board of Management

The Board of Management and Board of Directors are responsible for the preparation and presentation of the financial statements of Thanh Thanh Cong Tay Ninh Joint Stock Company (formerly known as Société De Bourbon Tay Ninh) ("the Company") in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Management:

(a) the financial statementst set out on pages 6 to 58 give a true and fair view of the financial position of the Company as at 31 December 2013, and of the results of operations and the cash flows of the Company for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements applicable to financial reporting; and

(b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Board of Management and Board of Directors have, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Management

Dang Huynh Uc My
Chairwomen

Ho Chi Minh City, 19 March 2014

KPMG Limited Branch
10th Floor, Sun Wah Tower
115 Nguyen Hue Street
District 1, Ho Chi Minh City
The Socialist Republic of Vietnam

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INDEPENDENT AUDITORS' REPORT

To the Shareholders
Thanh Thanh Cong Tay Ninh Joint Stock Company
(formerly known as Société De Bourbon Tay Ninh)

We have audited the accompanying financial statements of Thanh Thanh Cong Tay Ninh Joint Stock Company (formerly known as Société De Bourbon Tay Ninh) ("the Company"), which comprise the balance sheet as at 31 December 2013, the statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's management on 19 March 2014, as set out on pages 6 to 58.

Management's Responsibility for the Financial Statements

The Company's management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Thanh Thanh Cong Tay Ninh Joint Stock Company (formerly known as Société De Bourbon Tay Ninh) as at 31 December 2013 and of its results of operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements applicable to financial reporting.

KPMG Limited's Branch in Ho Chi Minh City
Vietnam
Operating registration certificate No.: 4114000230
Audit Report No: 13-01-301

Chang Hung Chun
Practicing Auditor Registration
Certificate No 0863-2013-007-1
Deputy General Director

Lam Thi Ngoc Hao
Practicing Auditor Registration
Certificate No 0866-2013-007-1

Ho Chi Minh City, 19 March 2014

Thanh Thanh Cong Tay Ninh Joint Stock Company
(formerly known as Société De Bourbon Tay Ninh)
Balance sheet as at 31 December 2013

Form B 01 - DN

	Code	Note	31/12/2013 VND	31/12/2012 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	**100**		**1,796,911,455,438**	**1,421,289,426,760**
Cash	**110**	**5**	**277,785,657,209**	**110,669,897,291**
Cash	111		277,785,657,209	110,669,897,291
Short-term investments	**120**	**12**	**118,541,861,042**	**202,458,604,234**
Short-term investments	121		171,464,251,319	297,983,547,843
Allowance for diminution in the value of short-term investments	129		(52,922,390,277)	(95,524,943,609)
Accounts receivable – short-term	**130**	**6**	**1,116,751,309,834**	**729,502,883,593**
Accounts receivable-trade	131		189,041,854,158	264,032,376,939
Prepayments to suppliers	132		881,212,336,447	418,517,643,528
Other receivables	135		68,842,727,529	69,995,237,367
Allowance for doubtful debts	139		(22,345,608,300)	(23,042,374,241)
Inventories	**140**	**7**	**230,951,775,462**	**339,388,288,019**
Inventories	141		231,194,332,349	339,630,844,906
Allowance for inventories	142		(242,556,887)	(242,556,887)
Other current assets	**150**		**52,880,851,891**	**39,269,753,623**
Short-term prepayments	151	8	51,687,227,891	34,332,668,947
Taxes and other receivables from State Treasury	154		-	2,357,450,779
Other current assets	158		1,193,624,000	2,579,633,897
Long-term assets (200 = 210 + 220 + 250 + 260)	**200**		**1,453,139,061,487**	**1,213,104,199,105**
Accounts receivable – long-term	**210**	**6**	**58,670,084,709**	**54,686,136,164**
Other long-term receivables	218		58,670,084,709	54,686,136,164
Fixed assets	**220**		**638,265,082,511**	**645,580,386,104**
Tangible fixed assets	221	9	537,483,957,859	540,043,448,468
Cost	222		1,686,163,287,464	1,613,205,566,904
Accumulated depreciation	223		(1,148,679,329,605)	(1,073,162,118,436)
Intangible fixed assets	227	10	41,461,660,259	42,665,949,536
Cost	228		51,108,741,971	51,212,046,019
Accumulated amortisation	229		(9,647,081,712)	(8,546,096,483)
Construction in progress	230	11	59,319,464,393	62,870,988,100

The accompanying notes are an integral part of these financial statements

Thanh Thanh Cong Tay Ninh Joint Stock Company
(formerly known as Société De Bourbon Tay Ninh)
Balance sheet as at 31 December 2013 (continued)

Form B 01 - DN

	Code	Note	31/12/2013 VND	31/12/2012 VND
Long-term investments	**250**	**12**	**748,565,574,194**	**499,582,134,384**
Investments in associates	252		696,012,839,523	435,754,797,123
Other long-term investments	258		75,762,012,204	94,887,933,904
Allowance for diminution in the value of long-term investments	259		(23,209,277,533)	(31,060,596,643)
Other long-term assets	**260**		**7,638,320,073**	**13,255,542,453**
Long-term prepayments	261	13	1,553,111,727	7,843,741,131
Deferred tax assets	262	14	6,085,208,346	5,273,753,022
Other long-term assets	268		-	138,048,300
TOTAL ASSETS (270 = 100 + 200)	**270**		**3,250,050,516,925**	**2,634,393,625,865**
RESOURCES				
LIABILITIES (300 = 310 + 330)	**300**		**1,409,325,905,709**	**938,635,369,571**
Current liabilities	**310**		**1,331,029,026,709**	**889,469,256,095**
Short-term borrowings	311	15	1,001,678,320,139	714,178,138,970
Accounts payable – trade	312	16	178,847,802,816	41,460,174,576
Advances from customers	313	17	61,691,947,079	29,752,623,024
Taxes payable to State Treasury	314	18	7,874,801,394	4,980,685,467
Payables to employees	315		4,822,806,760	9,431,820,585
Accrued expenses	316	19	51,936,591,686	60,051,144,927
Other payables	319	20	7,729,536,130	19,174,814,536
Bonus and welfare funds	323	21	16,447,220,705	10,439,854,010
Long-term borrowings	**330**		**78,296,879,000**	**49,166,113,476**
Long-term borrowings	334	22	78,296,879,000	49,166,113,476
EQUITY (400 = 410)	**400**		**1,840,724,611,216**	**1,695,758,256,294**
Owners' equity	**410**	**23**	**1,840,724,611,216**	**1,695,758,256,294**
Share capital	411	24	1,485,000,000,000	1,419,258,000,000
Share premium	412		14,732,000,010	7,594,294,697
Treasury shares	414	24	(61,577,199,043)	(129,471,347,730)
Investment and development funds	417		97,098,444,233	60,085,099,152
Financial reserves	418		87,560,743,223	69,054,070,682
Retained profits	420		217,910,622,793	269,238,139,493
TOTAL RESOURCES (440 = 300 + 400)	**440**		**3,250,050,516,925**	**2,634,393,625,865**

The accompanying notes are an integral part of these financial statements

Thanh Thanh Cong Tay Ninh Joint Stock Company
(formerly known as Société De Bourbon Tay Ninh)
Balance sheet as at 31 December 2013 (continued)

Form B 01 - DN

OFF BALANCE SHEET ITEMS

	Note	31/12/2013	31/12/2012
Materials and goods held for third parties or held for processing (KG)		2,333,364	6,679,726
Bad debts written off (VND)		8,224,714,261	4,868,349,860
Foreign currencies (USD)		11,798	6,601
Foreign currencies (EUR)		-	500
Foreign currencies (KHR)		47,000	-

19 March 2014

Prepared by:

Nguyen Thi Thuy Tien
Chief Accountant

CÔNG TY CỔ PHẦN MÍA ĐƯỜNG THÀNH THÀNH CÔNG TÂY NINH

Approved by:

Nguyen Ba Chu
General Director

The accompanying notes are an integral part of these financial statements

Thanh Thanh Cong Tay Ninh Joint Stock Company
(formerly known as Société De Bourbon Tay Ninh)
Statement of income for the year ended 31 December 2013

Form B 02 - DN

	Code	Note	2013 VND	2012 VND
Total revenue	**01**	**27**	**2,222,417,882,389**	**1,962,751,919,403**
Less sale deductions	**02**	**27**	**2,377,648,307**	**1,923,036,716**
Net revenue (10 = 01 - 02)	**10**	**27**	**2,220,040,234,082**	**1,960,828,882,687**
Cost of sales	**11**	**28**	**1,939,058,966,926**	**1,590,813,929,308**
Gross profit (20 = 10 - 11)	**20**		**280,981,267,156**	**370,014,953,379**
Financial income	21	29	154,653,120,260	313,208,759,969
Financial expenses	22	30	52,114,578,115	171,775,061,039
In which: Interest expenses	23		*95,727,748,245*	*75,345,627,183*
Selling expenses	24		48,587,602,597	40,496,493,149
General and administration expenses	25		64,476,689,490	56,957,642,859
Net operating profit {30 = 20 + (21 - 22) - (24 + 25)}	**30**		**270,455,517,214**	**413,994,516,301**
Other income	31		9,036,711,042	20,142,772,720
Other expenses	32		3,999,425,291	11,866,245,096
Results of other activities (40 = 31 - 32)	**40**		**5,037,285,751**	**8,276,527,624**
Profit before tax (50 = 30 + 40)	**50**		**275,492,802,965**	**422,271,043,925**
Income tax expense – current	**51**	**31**	**37,297,591,303**	**51,380,336,886**
Income tax (income)/expense – deferred	**52**	**31**	**(811,455,324)**	**757,256,230**
Net profit after tax (60 = 50 - 51 - 52)	**60**		**239,006,666,986**	**370,133,450,809**
Earnings per share				
Basic earnings per share		32	1,744	2,890

19 March 2014

Prepared by:

Nguyen Thi Thuy Tien
Chief Accountant

CÔNG TY CỔ PHẦN MÍA ĐƯỜNG THÀNH THÀNH CÔNG TÂY NINH

Approved by:

Nguyen Ba Chu
General Director

The accompanying notes are an integral part of these financial statements

Thanh Thanh Cong Tay Ninh Joint Stock Company
(formerly known as Société De Bourbon Tay Ninh)
Statement of cash flows for the year ended 31 December 2013 (Indirect method)

Form B 03 - DN

	Code	Note	2013 VND	2012 VND
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	**01**		**275,492,802,965**	**422,271,043,925**
Adjustments for				
Depreciation and amortisation	02		84,425,873,301	81,280,057,510
Allowances and provisions	03		(53,436,260,894)	101,701,159,171
Written off of construction in progress	05		1,120,024,605	-
Gains on disposal of fixed assets	05		(2,165,879,938)	(603,892,001)
Gains from sales of investments in securities	05		-	(185,554,905,691)
Interest income from deposits and loan to related company	05		(58,625,141,316)	(62,578,016,862)
Interest income from prepayments to sugar cane farmers	05		(64,810,450,331)	(39,645,920,757)
Dividend income	05		(30,853,567,400)	(24,935,208,400)
Interest expenses	06		95,727,748,245	75,345,627,183
Operating profit before changes in working capital	**08**		**246,875,149,237**	**367,279,944,078**
Change in receivables	09		(342,439,075,030)	(260,411,056,188)
Change in inventories	10		108,436,512,557	(59,045,765,987)
Change in payables and other liabilities	11		139,719,650,565	6,197,095,553
Change in prepayments	12		(10,307,550,439)	4,034,821,963
			142,284,686,890	**58,055,039,419**
Interest paid	13		(95,544,143,103)	(79,374,443,157)
Income tax paid	14		(29,795,877,960)	(61,609,058,012)
Other payments for operating activities	15		(23,603,309,369)	(29,334,186,634)
Net cash flows from operating activities	**20**		**(6,658,643,542)**	**(112,262,648,384)**

The accompanying notes are an integral part of these financial statements

	Code	Note	2013 VND	2012 VND
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and long-term assets	21		(79,836,990,290)	(89,831,897,139)
Proceeds from disposals of fixed assets	22		3,015,896,814	5,796,676,910
Payment for loans granted to related companies	23		(160,000,000,000)	(202,500,000,000)
Proceeds from disposals of investments in associates and securities	24		-	374,750,000,000
Collections on loans granted to related companies	24		325,652,791,317	188,406,644,027
Collections of other long-term investments	24		268,816,700	-
Payments for investments in other entities	25		(241,400,937,400)	(154,996,215,000)
Receipts of interests and dividends	27		52,788,213,626	45,169,624,954
Net cash flows from investing activities	**30**		**(99,512,209,233)**	**166,794,833,752**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from shares capital issued	31		65,742,000,000	-
Proceeds from treasury shares re-issued	31		95,331,854,000	30,450,000,000
Payments for treasury shares repurchases	32		-	(33,231,840,138)
Proceeds from short-term and long-term borrowings	33		3,111,971,563,281	2,250,038,686,148
Payments to settle debts	34		(2,795,340,616,588)	(1,832,395,032,388)
Payments of dividends	36		(204,418,188,000)	(447,450,011,600)
Net cash flows from financing activities	**40**		**273,286,612,693**	**(32,588,197,978)**

Thanh Thanh Cong Tay Ninh Joint Stock Company
(formerly known as Société De Bourbon Tay Ninh)
Statement of cash flows for the year ended 31 December 2013
(Indirect method - continued)

Form B 03 - DN

	Code	Note	2013 VND	2012 VND
Net cash flows during the year (50 = 20 + 30 + 40)	**50**		**167,115,759,918**	**21,943,987,390**
Cash at the beginning of the year	**60**		**110,669,897,291**	**88,725,909,901**
Cash at the end of the year (70 = 50 + 60)	**70**	**5**	**277,785,657,209**	**110,669,897,291**

19 March 2014

Prepared by:

Nguyen Thi Thuy Tien
Chief Accountant

Approved by:

CÔNG TY CỔ PHẦN MÍA ĐƯỜNG THÀNH THÀNH CÔNG TÂY NINH

Nguyen Ba Chu
General Director

The accompanying notes are an integral part of these financial statements

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Reporting Entity

Thanh Thanh Cong Tay Ninh Joint Stock Company (formerly known as Société De Bourbon Tay Ninh) ("the Company") is a joint-stock company incorporated in Vietnam. The principal activities of the Company are producing sugar and electricity; planting sugar cane; producing and trading products using sugar or its by-products, waste products; producing and trading fertilizer, agricultural materials; constructing civil project; trading hotel and restaurant; constructing and trading industrial zone infrastructure; mechanical processing; consulting engineering, technology, and management in sugar's production industry; produce and trade alcohol products; trade real estates, rent houses and apartments and investing activities.

The Company's shares are listed on the Ho Chi Minh Stock Exchange in accordance with the License No. 27/QD-SGDCKHCM issued by the Ho Chi Minh City Stock Exchange on 18 February 2008.

The Company's head office is located at Tan Hung Commune, Tan Chau District, Tay Ninh Province, Vietnam and its representation office is located at Floor 1, No. 62, Tran Huy Lieu Street, Ward 12, Phu Nhuan District, Ho Chi Minh City, Vietnam.

As at 31 December 2013 the Company had 784 employees, in which there were 266 temporary employees (31 December 2012: 810 employees, in which there were 303 temporary employees).

2. Basis of preparation

(a) Statement of compliance

The financial statement have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevent statutory requirements applicable to financial reporting.

(b) Basis of measurement

The financial statements, except for the statement of cash flows, are prepared on the accrual basis using the historical cost concept. The statement of cash flows is prepared using the indirect method.

(c) Annual accounting period

The annual accounting period of the Company is from 1 January to 31 December.

(d) Accounting currency

The financial statements are prepared and presented in Vietnam Dong ("VND").

3. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Company in the preparation of these financial statements.

(a) Foreign currency

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at rates of exchange ruling at the balance sheet date. Transactions in currencies other than VND during the year have been translated into VND at rates of exchange ruling at the transaction dates.

All foreign exchange differences are recorded in the statement of income.

(b) Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(c) Investments

Investments are carried at cost less allowance for diminution in value of investments, if necessary, in these financial statements. Allowance is made for reductions in investment values if the investee has suffered a loss or market value of the investment falls below cost in accordance with the guidance under Circular No. 89/2013/TT-BTC issued by the Ministry of Finance on 28 June 2013 which amended for Circular No. 228/2009/TT-BTC issued by the Ministry of Finance on 7 December 2009. Increases and decreases to the provision balance are recorded as finance expenses in the statement of income. The allowance is reversed if the recoverable amount is subsequently increased after the allowance was recognised. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

Distributions from the operating results of the investments arising subsequent to the date of acquisition by the Company are recognised as income in the income statement. Distributions from sources other than such operating results are considered as recovery of investment and are deducted to the cost of investments.

(d) Accounts receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

(e) Prepayments to suppliers

Included in prepayment to suppliers are prepayments to sugar cane farmers which are stated at cost less allowance for overdue receivables. The Company's policies on making allowance for overdue receivables are in accordance with the guidance under Circular No. 228/2009/TT-BTC issued by the Ministry of Finance on 7 December 2009.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and selling expenses.

The Company applies the perpetual method of accounting for inventories.

(g) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repairs, maintenance and overhauls cost, is charged to income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings	5 – 30 years
▪ machinery and equipment	2 – 20 years
▪ motor vehicles	5 – 6 years
▪ office equipment	3 – 5 years
▪ others	4 – 15 years

(h) Intangible fixed assets

(i) Land use rights

Land use rights are stated at cost less accumulated amortisation. The initial cost of a land use right comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Amortisation is computed on a straight-line basis over 50 years.

(ii) Software

Cost of acquiring of new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software is amortised on a straight-line basis over 2 years.

(i) Construction in progress

Construction in progress represents the cost of construction and machinery which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

(j) Long-term prepayments

Long-term prepayments mainly comprise tools, supplies and significant renewals and improvements which are initially stated at cost and amortised on a straight-line basis over 2 years.

(k) Trade and other payables

Trade and other payables are stated at their cost.

(l) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions for fixed operating expenses

Provisions for fixed operating expenses relate to estimated expenses incurred during seasonal non-production periods. The estimation is based on experience, events and management best judgments. Inevitably, such circumstances and information may be subject to change in subsequent periods and thus the eventual outcome may be better or worse than the assessments made in drawing up the periodic financial reports.

(m) Bonus and welfare funds

Allocations are made to bonus and welfare funds based on shareholders' resolutions. This fund is used exclusively to pay bonus and welfare to the Company's staff. Payments from bonus and welfare funds are not charged to the statement of income.

(n) Classification of financial instruments

Solely for the purpose of providing disclosures about the significance of financial instruments to the Company's financial position and results of operations and the nature and extent of risk arising from financial instruments, the Company classifies its financial instruments as follow:

(i) Financial assets

Financial assets at fair value through profit or loss

A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:

- It is considered by management as held for trading. A financial asset is considered as held for trading if:
  - acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
  - there is evidence of a recent pattern of short-term profit-taking; or
  - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Company as financial assets at fair value through profit or loss.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and a fixed maturity that the Company has the positive intention and ability to hold to maturity, other than:

- those that the Company on initial recognition designates as at fair value through profit or loss;
- those that the Company designates as available-for-sale; and

those that meet the definition of loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those:

- that the Company intends to sell immediately or in the near term, which are classified as held for trading, and those that the entity on initial recognition designates as at fair value through profit or loss;

- that the Company on initial recognition designates as available-for-sale; or
- for which the Company may not recover substantially all of its initial investment, other than because of credit deterioration, which are classified as available-for-sale.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or that is not classified as:

- financial assets at fair value through profit or loss;
- held-to-maturity investments; or
- loans and receivables.

(ii) Financial liabilities

Financial liabilities at fair value through profit or loss

A financial liability at fair value through profit or loss is a financial liability that meets either of the following conditions:

- It is considered by management as held for trading. A financial liability is considered as held for trading if:
  - acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
  - there is evidence of a recent pattern of short-term profit-taking; or
  - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Company as financial assets liability at fair value through profit or loss.

Financial liabilities carried at amortised cost

Financial liabilities which are not classified as financial liabilities at fair value through profit or loss are classified as financial liabilities carried at amortised costs.

The above described classification of financial instruments is solely for presentation and disclosure purpose and is not intended to be a description of how the instruments are measured. Accounting policies for measurement of financial instruments are disclosed in other relevant notes.

(o) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(p) Share capital

(i) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

(ii) Equity funds and reserves

Allocation was made to equity funds and reserves based on the shareholders decisions at their annual general meeting.

(q) Revenue and other income

(i) Goods sold

Revenue from the sale of goods is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

(ii) Electricity

Revenue is recognised based on the volume of electricity delivered and the sales price agreed with the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(iii) Interest income

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable rate.

(iv) Dividend income

Dividends are recognised as income when the right to receive the dividend is established.

(r) Operating lease payments

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease expense.

(s) Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the year of construction are capitalised as part of the cost of the assets concerned.

(t) Earnings per share

The Company presents basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. The Company does not have any potentially dilutive ordinary shares.

(u) Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company primary format for segment reporting is based on business segments.

(v) Related parties

Related companies include the shareholders, their ultimate parent companies and their subsidiaries and associates.

4. Segment reporting

The Company operates mainly in one business segment, which is in producing and trading sugar and sugar related by-products and in one geographical segment, which is in Vietnam.

5. Cash

	31/12/2013 VND	31/12/2012 VND
Cash on hand	762,717,591	400,448,204
Cash in banks	277,022,939,618	110,269,449,087
Cash in the statement of cashflow	277,785,657,209	110,669,897,291

6. Accounts receivable – short-term and long-term

Accounts receivable included the following amounts due from related parties:

	31/12/2013 VND	31/12/2012 VND
Amounts due from a shareholder		
Trade	17,549,324,747	42,132,639,800
Amounts due from other related companies		
Trade	5,006,120,324	-
Non-trade	-	3,848,954,161

The trade amounts due from related companies were unsecured and bore interest at rate of 11.5% per annum during the year.

At 31 December 2013, account receivables with carrying value of VND82,700 million and VND equivalent to USD32.5 million (31/12/2012: VND160,486 million and VND equivalent to USD10 million) were pledged with banks as security for loans granted to the Company.

Prepayments to suppliers included following amounts to related parties:

	31/12/2013 VND	31/12/2012 VND
Amounts prepaid to shareholders		
Trade	78,349,000,000	-
Amounts prepaid to other related companies		
Trade	249,653,895,750	-

The prepayments to related companies were unsecured and bore interest at rate of 11.5% per annum during the year.

Included in prepayments to suppliers and other long-term receivables were prepayments to sugar cane farmers, details are as follows:

	31/12/2013 VND	31/12/2012 VND
Short-term prepayments to sugar cane farmers	445,869,183,856	301,317,238,306
Long-term prepayments to sugar cane farmers	45,248,588,480	54,686,136,164
	491,117,772,336	356,003,374,470

During the year, the Company has recorded prepayments to sugar cane farmers with the amount of VND122,114,973,700 in term of sales of sugar cane (2012: VND106,992,019,400) and netted off against prepayments to sugar cane farmers purchase of sugar cane with the amount of VND279,058,113,666 (2012: VND265,547,681,375).

Prepayments to sugar cane farmers are partially secured by the farmers' land use rights and earned interest at rates ranging from 8.4% to 16.5% per annum during the year (2012: 8% to 13.5%). The prepayments are collected within 3 years from each drawdown.

Other short-term receivables comprised:

	31/12/2013 VND	31/12/2012 VND
Interest receivables from sugar cane farmers	65,118,841,717	43,377,407,139
Interest receivables from the loans to Bourbon An Hoa Joint Stock Company, an associate	1,825,163,039	3,848,954,161
Interest receivables from Thanh Thanh Cong Investment Joint Stock Company, a shareholder	114,679,167	-
Receivables in relating to treasury shares re-issuance	-	20,300,000,000
Receivables from maturity of life insurance	-	848,473,700
Others	1,784,043,606	1,620,402,367
	68,842,727,529	69,995,237,367

Other long-term receivables comprised:

	31/12/2013 VND	31/12/2012 VND
Long-term prepayments to sugar cane farmers	45,248,588,480	54,686,136,164
Receivables from Svayriêng projects - Campuchia	13,421,496,229	-
	58,670,084,709	54,686,136,164

Other long-term receivables includes an amount of VND13,421,496,229 (2012: nil) for Business Co-operation Contract between the Company and Svayrieng Ltd Co., to develop a project to plant sugar canes in Cambodia in ten years. The Company owns 85% interest sharing from this project. The Company is committed to purchase all sugar canes harvested from this project.

7. Inventories

	31/12/2013 VND	31/12/2012 VND
Raw materials	38,893,215,873	62,041,234,378
Tools and supplies	148,558,835	64,102,810
Work in progress	32,561,949,710	43,771,079,175
Finished goods	148,754,394,232	207,870,694,011
Merchandise inventories	8,903,325	9,996,507,532
Goods on consignment	10,827,310,374	15,887,227,000
	231,194,332,349	339,630,844,906
Allowance for inventories	(242,556,887)	(242,556,887)
	230,951,775,462	339,388,288,019

There is no movement in allowance for inventories during the year.

At 31 December 2013 inventories with carrying value of VND230,951 million (31 December 2012: VND60,514 million) were pledged with banks as security for loans granted to the Company.

8. Short-term prepayments

Included in short-term prepayments was an amount of VND51,637,527,893 to support sugar cane farmers to plant sugar canes for the coming production season (31 December 2012: VND34,266,568,947). The amount will be allocated to production costs for the coming production season.

9. Tangible fixed assets

	Buildings VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Cost						
Opening balance	279,333,832,755	1,242,545,956,398	24,186,483,462	8,295,498,140	58,843,796,149	1,613,205,566,904
Additions	-	14,409,514,207	2,798,240,908	700,333,000	-	17,908,088,115
Transfers from construction in progress	-	65,045,031,532	-	-	-	65,045,031,532
Disposals	-	(1,191,102,753)	(104,050,000)	-	(355,061,728)	(1,650,214,481)
Written off	-	-	(1,877,012,709)	(2,715,144,492)	-	(4,592,157,201)
Reclassification (*)	(419,962,501)	(1,833,605,989)	(106,624,000)	(1,309,431,024)	(83,403,891)	(3,753,027,405)
Closing balance	278,913,870,254	1,318,975,793,395	24,897,037,661	4,971,255,624	58,405,330,530	1,686,163,287,464
Accumulated depreciation						
Opening balance	136,322,152,230	861,605,204,542	11,473,621,976	7,391,736,656	56,369,403,032	1,073,162,118,436
Charge for the year	10,110,579,415	67,997,018,017	3,033,817,576	375,747,600	2,389,051,671	83,906,214,279
Disposals	-	(368,623,115)	(76,512,762)	-	(355,061,728)	(800,197,605)
Written off	-	-	(1,877,012,709)	(2,715,144,492)	-	(4,592,157,201)
Reclassification (*)	(357,409,908)	(1,451,365,620)	(106,624,000)	(1,014,143,779)	(67,104,997)	(2,996,648,304)
Closing balance	146,075,321,737	927,782,233,824	12,447,290,081	4,038,195,985	58,336,287,978	1,148,679,329,605
Net book value						
Opening balance	143,011,680,525	380,940,751,856	12,712,861,486	903,761,484	2,474,393,117	540,043,448,468
Closing balance	132,838,548,517	391,193,559,571	12,449,747,580	933,059,639	69,042,552	537,483,957,859

(*) The reclassification represents net book value of existing fixed assets which do not meet one of the criteria for recognition as fixed assets as regulated in Article 3 of Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance which provides guidance on management, use and depreciation of fixed assets ("Circular 45"), i.e. costing VND30 million or more. These assets are reclassified to Long-term Prepayments (Note 13).

Included in the cost of tangible fixed assets were assets costing VND226,436 million which were fully depreciated as of 31 December 2013 (31 December 2012: VND163,328 million), but which are still in active use.

At 31 December 2013 tangible fixed assets with net book value of VND216,196 million (31 December 2012: VND243,431 million) were pledged with banks as security for loans granted to the Company.

10. Intangible fixed assets

	Land use rights VND	Software VND	Total VND
Cost			
Opening balance	47,483,754,819	3,728,291,200	51,212,046,019
Additions	-	43,500,000	43,500,000
Reclassification (*)	-	(146,804,048)	(146,804,048)
Closing balance	47,483,754,819	3,624,987,152	51,108,741,971
Accumulated amortisation			
Opening balance	5,602,982,425	2,943,114,058	8,546,096,483
Charge for the year	1,047,782,278	200,006,999	1,247,789,277
Reclassification (*)	-	(146,804,048)	(146,804,048)
Closing balance	6,650,764,703	2,996,317,009	9,647,081,712
Net book value			
Opening balance	41,880,772,394	785,177,142	42,665,949,536
Closing balance	40,832,990,116	628,670,143	41,461,660,259

(*) The reclassification represents net book value of existing fixed assets which do not meet one of the criteria for recognition as fixed assets as regulated in Article 3 of Circular 45, i.e. costing VND30 million or more. These assets are reclassified to Long-term Prepayments (Note 13).

Included in the cost of intangible fixed assets were assets costing VND4,008 million which were fully amortised as of 31 December 2013 (31 December 2012: VND4,155 million), but which are still in active use.

At 31 December 2013 intangible fixed assets with net book value of VND40,832 million (31 December 2012: VND41,881 million) were pledged with banks as security for loans granted to the Company.

11. Construction in progress

	2013 VND	2012 VND
Opening balance	62,870,988,100	36,829,486,105
Additions during the year	62,613,532,430	80,616,336,704
Transfers to tangible fixed assets	(65,045,031,532)	(41,946,309,615)
Transfers to intangible fixed assets	-	(749,962,000)
Transfers to long-term prepayments	-	(11,878,563,094)
Written off	(1,120,024,605)	-
Closing balance	59,319,464,393	62,870,988,100

Major constructions in progress are as follows:

	31/12/2013 VND	31/12/2012 VND
Replacing old machinery and equipments	18,165,129,872	47,333,614,684
Project Espace Bourbon Tay Ninh	20,319,586,111	12,917,142,603
Others	20,834,748,410	2,620,230,813
	59,319,464,393	62,870,988,100

During the year borrowing costs and depreciation charged capitalised into construction in progress amounted to VND641,941,177 (2012: VND1,204 million) and VND728,130,255 (2012: nil), respectively.

12. Investments

	31/12/2013				31/12/2012			
	Quantity	% of equity owned	% of voting right	VND	Quantity	% of equity owned	% of voting right	VND
(a) Long-term investments								
Long-term equity investments in associates:								
▪ Bourbon An Hoa Joint Stock Company (i)	24,500,000	49.00%	49.00%	245,000,000,000	24,500,000	49.00%	49.00%	245,000,000,000
▪ Bien Hoa Sugar Joint Stock Company (ii)	13,630,296	21.64%	21.64%	197,682,217,123	6,815,148	21.64%	21.64%	129,530,737,123
▪ La Nga Sugar Joint Stock Company (iii)	2,040,802	24.89%	24.89%	61,224,060,000	2,040,802	24.89%	24.89%	61,224,060,000
▪ Nuoc Trong Sugar Joint Stock Company (iv)	1,389,302	23.95%	23.95%	53,765,987,400	-	-	-	-
▪ Tay Ninh Chemical Industry Joint Stock Company (v)	3,157,920	26.32%	26.32%	31,579,200,000	-	-	-	-
▪ Thanh Thanh Cong Sugarcane Research and Application Joint Stock Company (vi)	720,000	24.00%	24.00%	7,200,000,000	-	-	-	-
▪ Gia Lai Cane Sugar Thermoelectricity Joint Stock Company (vii)	6,720,000	24.13%	24.13%	99,561,375,000	-	-	-	-
				696,012,839,523				435,754,797,123
Other long-term investments								
▪ Investments in securities (viii)				74,915,050,000				93,772,155,000
▪ Other long-term investments				846,962,204				1,115,778,904
				75,762,012,204				94,887,933,904
Allowance for diminution in value of long-term investments				(23,209,277,533)				(31,060,596,643)
				748,565,574,194				499,582,134,384

		31/12/2013 VND	31/12/2012 VND
(b)	**Short-term investments**		
	Loans to an associate, Bourbon An Hoa Joint Stock Company (ix)	171,464,251,319	297,983,547,843
	Allowance for diminution in value of short-term investments	(52,922,390,277)	(95,524,943,609)
		118,541,861,042	202,458,604,234

(i) Bourbon An Hoa Joint Stock Company ("Bourbon An Hoa") was established in Vietnam in accordance with Business License No. 3900471864 issued by the Department of Planning and Investment of Tay Ninh Province on 10 September 2008. The head office of Bourbon An Hoa is located at An Hoi Hamlet, An Hoa Commune, Trang Bang District, Tay Ninh Province, Vietnam. The principal activities of this company are building industrial zone's infrastructure and leasing industrial zone.

As at 31 December 2013, the Company pledged all Bourbon An Hoa shares to Bao Viet Joint Stock Commercial Bank as security for bank loans granted to Bourbon An Hoa.

(ii) Bien Hoa Sugar Joint Stock Company ("Bien Hoa Sugar") was established in Vietnam in accordance with Business License No. 450300000501 issued by the Department of Planning and Investment of Dong Nai Province on 13 June 2001. The head office of Bien Hoa Sugar is located at Bien Hoa Industrial Park I, An Binh Ward, Dong Nai Province, Vietnam. The principal activities of this company are producing and trading sugar, products using sugar or its by-products, waste products; trading machinery, equipment and supplies in sugar's production industry; installing and maintaining equipment in sugar industry; leasing out warehouse; constructing civil and industrial projects; trading, agent, consignment of agricultural products, technological foods, raw materials, supplies in sugar industry; transportation services; food services; producing and trading any types of wine; producing and trading alcohol; trading real estate and providing mechanical agriculture cultivation services.

As at 31 December 2013, 5,815,148 shares of Bien Hoa Sugar with the carrying value of VND84,338 million were pledged with banks as security for loans granted to the Company.

(iii) La Nga Sugar Joint Stock Company ("La Nga Sugar") was established in Vietnam in accordance with Business License No. 4703000006 issued by the Department of Planning and Investment of Dong Nai Province on 23 March 2000. The head office of La Nga Sugar is located at Km35, Highstreet 20, La Nga Commune, Dinh Quan District, Dong Nai Province, Vietnam. The principal activities of this company are producing sugar, confectionery, alcohol; processing after sugar products, drinks with and without alcohol, cold drink; processing agriculture and forestry products; manufacturing synthetic organic fertilizer; processing animal feed; planting trees and raising cattle; constructing public, industry, traffic and irrigation projects; producing and providing tree varieties; producing hygienic water, electricity; manufacturing and trading in furniture and interior decoration materials; manufacturing, repairing, buying and selling mechanical products; buying and selling agriculture and industry materials.

(iv) Nuoc Trong Sugar Joint Stock Company ("Nuoc Trong Sugar") was established in Vietnam in accordance with Decision No. 299/QD-CT issued by the People Committee of Tay Ninh Province on 7 April 2005. The head office of Nuoc Trong Sugar is located at Hoi An Villiage, Tan Hoi Commune, Tan Chau District, Tay Ninh Province, Vietnam. The principal activities of this company are producing sugar; planting sugar cane, wheat, rubber trees and agricultural products; processing agriculture products, food and alcoholic beverages; processing, manufacturing and installing food industry machineries; importing and exporting businesses.

(v) Tay Ninh Chemical Industry Joint Stock Company ("Tay Ninh Chemical") was established in Vietnam in accordance with Business License No. 3900914957 issued by the People Committee of Tay Ninh Province on 29 January 2013. The head office of Tay Ninh Chemical is located at Hoi An Villiage, Tan Hoi Commune, Tan Chau District, Tay Ninh Province, Vietnam. The principal activities of this company are producing starch and products related to starch; producing artificial condensed products, non-alcohol and mineral water, nitrogen compound; installing machinery and industrial equipments.

(vi) Thanh Thanh Cong Sugarcane Research and Application Joint Stock Company ("Thanh Thanh Cong Sugarcane") was established in Vietnam in accordance with Business License No. 3901162964 issued by the Department of Planning and Investment of Tay Ninh Province on 21 March 2013. The head office of Thanh Thanh Cong Sugarcane is located at Binh Hoa Villiage, Thai Binh Commune, Chau Thanh District, Dong Nai Province, Vietnam. The principal activities of this company are to perform research and develop sugar cane sprouts; to analysis cultivation and plant protection products; to produce and develop mechanic machineries for sugar canes production.

(vii) Gia Lai Cane Sugar Thermoelectricity Joint Stock Company ("Gia Lai Cane Sugar") was established in Vietnam in accordance with Business License No. 5900421955 issued by the People Committee of Gia Lai Province on 21 July 2009. The head office of Gia Lai Cane Sugar is located at Ayunpa Town, Gia Lai Province, Vietnam. The principle activity of this company are to manufacture sugar and other by-products from sugar-cane for sales; plant sugar cane; manufacture electricity for sales; engineer the civil projects; process agricultural products; manufacture and trade in fertilizer; and invest in financial market.

As at 31 December 2013, 4,200,000 shares of Gia Lai Cane Sugar with the carrying value of VND62,225 million were pledged with banks as security for loans granted to the Company.

(viii) Investment in securities comprised of:

	31/12/2013		31/12/2012	
	Number of share	**VND**	**Number of share**	**VND**
Gia Lai Cane Sugar Thermoelectricity Joint Stock Company shares	-	-	2,500,000	48,823,125,000
Ninh Hoa Sugar Joint Stock Company shares	5,993,204	74,915,050,000	2,996,602	44,949,030,000
	5,993,204	74,915,050,000	5,496,602	93,772,155,000

(ix) These loans represent loans granted to Bourbon An Hoa Joint Stock Company, an associate, which were unsecured and earned interest at 12% per annum during the year (2012: from 15% to 18.5%). During the year, the accumulated interest amounting to VND39,133,494,793 (2012: VND93,483,547,843) was converted to loans principal.

Movements of short-term and long-term investments during the year were as follows:

	Short-term		Long-term	
	2013 VND	2012 VND	2013 VND	2012 VND
Opening balance	297,983,547,843	90,358,494,207	530,642,731,027	612,639,760,156
Increases in investments during the year	39,133,494,793	295,983,547,843	241,400,937,400	154,996,215,000
Transfers from long-term to short-term investments	-	100,000,000,000	-	(100,000,000,000)
Disposals	-	-	-	(136,945,094,309)
Investment collections during the year	(165,652,791,317)	(188,358,494,207)	(268,816,700)	(48,149,820)
Closing balance	171,464,251,319	297,983,547,843	771,774,851,727	530,642,731,027

Movements in the allowance for diminution in value of investments during the year were as follows:

	Short-term		Long-term	
	2013 VND	2012 VND	2013 VND	2012 VND
Opening balance	95,524,943,609	-	31,060,596,643	36,339,400,956
Additions	-	95,524,943,609	-	1,672,004,162
Utilisation	-	-	-	(6,950,808,475)
Written back	(42,602,553,332)	-	(7,851,319,110)	-
Closing balance	52,922,390,277	95,524,943,609	23,209,277,533	31,060,596,643

13. Long-term prepayments

	2013 VND	2012 VND
Opening balance	7,843,741,131	-
Additions during the year	3,346,334,266	3,808,919,168
Transfers from tangible fixed assets – net (Note 9)	756,379,101	-
Transfers from construction in progress	-	11,878,563,094
Amortisation for the year	(10,393,342,771)	(7,843,741,131)
Closing balance	1,553,111,727	7,843,741,131

14. Deferred tax assets

Deferred tax assets are relating to temporary difference arising from accruals.

15. Short-term borrowings

	31/12/2013 VND	31/12/2012 VND
Short-term borrowings	966,704,978,139	691,332,892,670
Current portion of long-term borrowings (Note 22)	34,973,342,000	22,845,246,300
	1,001,678,320,139	714,178,138,970

Terms and conditions of outstanding short-term borrowings were as follows:

	Currency	Interest rate per annum	31/12/2013 VND	31/12/2012 VND
• HSBC Bank (Vietnam) Ltd (i)	VND	6.5% - 8.5%	315,500,000,000	197,840,478,236
• HSBC Bank (Vietnam) Ltd	USD	-	-	92,588,350,000
• Joint Stock Commercial Bank for Foreign Trade of Vietnam (ii)	VND	6.5% - 9.8%	157,805,501,232	196,832,871,434
• ANZ Bank (Vietnam) Ltd (iii)	VND	6.3% - 9%	39,723,329,710	115,250,000,000
• Vietnam International Joint Stock Commercial Bank (iv)	VND	6.5% - 9.5%	117,000,000,000	-
• Vietnam Joint Stock Commercial Bank for Industry and Trade (v)	VND	6.5% - 11%	170,739,147,197	88,821,193,000
• Chinatrust Commercial Bank Vietnam Ltd (vi)	VND	7% - 8.5%	63,000,000,000	-
• Shinhan Bank Vietnam Ltd (vii)	VND	6% - 8.9%	16,000,000,000	-
• Military Commercial Joint Stock Bank (viii)	VND	6.5% - 7.5%	64,367,000,000	-
• Unsecured loans from employees	VND	12%	19,170,000,000	-
• Unsecured loans from Tay Ninh Investment and Development Fund	VND	0%	3,400,000,000	-
			966,704,978,139	691,332,892,670

(i) This loan has a maximum facility of USD14 million (31 December 2012: USD14 million). The loan is secured by land use right of Project Espace Bourbon Tay Ninh with net book value as at 31 December 2013 of VND33,012 million and receivables as at 31 December 2013 amounting to VND82,700 million and USD10 million (31 December 2012: VND33,741 million, VND82,700 million and USD10 million, respectively).

(ii) This loan has a maximum facility of VND250,000 million (31 December 2012: VND200,000 million). The loan is secured by buildings and land use right located at Tan Hung Commune, Tan Chau District, Tay Ninh Province with net book value as at 31 December 2013 amounting to VND132,838 million and VND7,820 million, respectively (31 December 2012: VND143,012 million and VND8,140 million, respectively).

(iii) This loan has a maximum facility of USD15 million (31 December 2012: USD10 million). The loan is secured by receivables as at 31 December 2013 amounting to USD22.5 million (31 December 2012: receivables and inventories amounting to VND77,786 million and VND60,514 million, respectively).

(iv) This loan has a maximum facility of VND150,000 million. The loan is secured by inventories as at 31 December 2013 amounting to VND155,000 million.

(v) This loan has a maximum facility of VND400,000 million (31 December 2012: VND400,000 million). The loan is secured by machinery and equipment with net book value as at 31 December 2013 of VND83,358 million (31 December 2012: VND100,419 million).

(vi) This loan has a maximum facility of USD3.6 million. The loan is secured by inventories as at 31 December 2013 amounting to VND62,400 million.

(vii) This loan has a maximum facility of VND60,000 million. The loan is unsecured.

(viii) This loan has a maximum facility of VND100,000 million. The loan is secured by inventories as at 31 December 2013 amounting to VND144,000 million.

16. Accounts payable – trade

Accounts payable – trade include the following amounts due to related parties:

	31/12/2013 VND	31/12/2012 VND
Amounts due to shareholders	4,605,821,000	-

The trade related amounts due to the shareholder were unsecured, interest free and are payable on demand.

17. Advances from customers

	31/12/2013 VND	31/12/2012 VND
Advance from Sai Gon Thuong Tin Commercial Joint Stock Bank (*)	35,743,710,000	29,374,700,000
Advance from Bien Hoa Sugar Joint Stock Company, a related company for purchase of sugar	23,529,261,301	-
Advance from Thanh Thanh Cong Trading Joint Stock Company, a related company for purchase of molasses	4,059,200	-
Other advances from customers	2,414,916,578	377,923,024
	61,691,947,079	29,752,623,024

The advances from related companies were unsecured and interest free.

(*) This amount represented cash advance for Properties Transfer Agreement dated 25 November 2011 between the Company and Sai Gon Thuong Tin Commercial Joint Stock Bank. According to this Agreement, the Company agreed to transfer leased land use right and building in Espace Bourbon Tay Ninh Project at No. 217-219, 30-4 Street, Ward 2, Tay Ninh Town, Tay Ninh Province to Sai Gon Thuong Tin Commercial Joint Stock Bank.

18. Taxes payable to State Treasury

	31/12/2013 VND	31/12/2012 VND
Value added tax	2,292,429,531	4,980,685,467
Corporate income tax	5,310,865,799	-
Personal income tax	271,506,064	-
	7,874,801,394	4,980,685,467

19. Accrued expenses

	31/12/2013 VND	31/12/2012 VND
Payment to farmers for sugar cane	45,656,504,002	52,035,661,600
Transportation and loading fee	1,748,569,468	3,228,683,000
Interest expenses	2,614,594,574	2,430,989,432
Unpaid leaves	410,338,120	1,197,102,280
Others	1,506,585,522	1,158,708,615
	51,936,591,686	60,051,144,927

20. Other payables

	31/12/2013 VND	31/12/2012 VND
Harvest and transportation payables	4,167,709,757	16,528,681,190
Payables to Tay Ninh Sugar Company Ltd.	1,200,000,000	1,200,000,000
Dividends payables	1,543,130,110	757,828,110
Others	818,696,263	688,305,236
	7,729,536,130	19,174,814,536

Included in other payable were amounts due to related parties as follows:

	31/12/2013 VND	31/12/2012 VND
Non-trade amounts due to other related parties	1,543,130,110	757,828,110

The other payables from related companies were unsecured, interest free and are payable upon demand.

21. Bonus and welfare funds

Movements of bonus and welfare funds during the year as follows:

	2013 VND	2012 VND
Opening balance	10,439,854,010	1,459,224,234
Additions during the year	29,610,676,064	38,314,816,410
Utilisations during the year	(23,603,309,369)	(29,334,186,634)
Closing balance	16,447,220,705	10,439,854,010

22. Long-term borrowings

	31/12/2013 VND	31/12/2012 VND
Long-term borrowings	113,270,221,000	72,011,359,776
Repayable within twelve months (Note 15)	(34,973,342,000)	(22,845,246,300)
Repayable after twelve months	78,296,879,000	49,166,113,476

Terms and conditions of outstanding long-term borrowings are as follows:

	Currency	Interest rate per annum	Year of maturity	31/12/2013 VND	31/12/2012 VND
Unsecured long-term borrowings:					
• Tay Ninh Sugar Company Ltd,. (i)	VND	4.62%	2020	15,511,221,000	17,897,563,000
Secured long-term borrowings:					
• Tay Ninh Investment and Development Funds (ii)	VND	9.6% - 11.4%	2016	3,159,000,000	4,211,000,000
• Tay Ninh Investment and Development Funds (ii)	VND	9.6%	2016	5,700,000,000	-
• Asia Commercial Joint Stock Bank (iii)	VND	11.5%	2016	25,475,000,000	-
• Asia Commercial Joint Stock Bank (iii)	VND	11.5%	2016	63,425,000,000	-
• Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	-	-	-	49,902,796,776
				113,270,221,000	72,011,359,776

(i) This loan is unsecured and has a maximum facility of VND36,000 million (31 December 2012: VND36,000 million). Principal outstanding at 31 December 2013 is repayable in 13 equal semi-annually installments of VND1,193 million each. The final installment will be on 10 April 2020.

(ii) This loan has a maximum facility of VND10,700 million (31 December 2012: VND5,000 million). Principal outstanding of VND3,159,000,000 at 31 December 2013 is repayable in 11 quarterly installments of VND263 million each and a final installment of VND266 million on 31 December 2016. Principal outstanding of VND5,700,000,000 at 31 December 2013 is repayable in 12 quarterly installments of VND475 million each. The loan is secured by Letter of Credit issued by Vietnam Joint Stock Commercial Bank for Industry and Trade amounting to VND2,500 million (31 December 2012: VND2,500 million) and another Letter of Credit issued by Joint Stock Commercial Bank for Foreign Trade of Viet Nam amounting to VND2,850 million (31 December 12: nil).

(iii) This loan has a maximum facility of VND120,000 million. Principal outstanding of VND25,475,000,000 at 31 December 2013 is repayable in 5 equal semi-annually installments of VND4,246 million each and a final installment of VND4,242 million on 20 November 2016. Principal outstanding of VND63,425,000,000 at 31 December 2013 is repayable in 5 equal semi-annually installments of VND10,571 million each and a final installment of VND10,570 million on 25 November 2016. The loan is secured by 4,200,000 shares of Gia Lai Cane Sugar Thermoelectricity Joint Stock Company and 5,815,148 shares of Bien Hoa Sugar Joint Stock Company with the carrying value of VND146,563 million.

23. Changes in owners' equity

	Share capital VND	Share premium VND	Treasury shares VND	Investment and development funds VND	Financial reserves VND	Retained profits VND	Total VND
Balance as at 1 January 2012	1,419,258,000,000	-	(139,395,212,895)	4,786,442,297	41,404,742,255	468,107,790,376	1,794,161,762,033
Acquisition of treasury shares	-	-	(33,231,840,138)	-	-	-	(33,231,840,138)
Re-issued treasury shares	-	7,594,294,697	43,155,705,303	-	-	-	50,750,000,000
Profits for the year	-	-	-	-	-	370,133,450,809	370,133,450,809
Appropriations to funds	-	-	-	55,298,656,855	27,649,328,427	(121,262,801,692)	(38,314,816,410)
Dividends (Note 25)	-	-	-	-	-	(447,740,300,000)	(447,740,300,000)
Balance as at 1 January 2013	1,419,258,000,000	7,594,294,697	(129,471,347,730)	60,085,099,152	69,054,070,682	269,238,139,493	1,695,758,256,294
Share capital issued	65,742,000,000	-	-	-	-	-	65,742,000,000
Re-issued treasury shares	-	7,137,705,313	67,894,148,687	-	-	-	75,031,854,000
Profits for the year	-	-	-	-	-	239,006,666,986	239,006,666,986
Appropriations to funds	-	-	-	37,013,345,081	18,506,672,541	(85,130,693,686)	(29,610,676,064)
Dividends (Note 25)	-	-	-	-	-	(205,203,490,000)	(205,203,490,000)
Balance as at 31 December 2013	1,485,000,000,000	14,732,000,010	(61,577,199,043)	97,098,444,233	87,560,743,223	217,910,622,793	1,840,724,611,216

24. Share capital

The Company's authorised and issued share capital are:

	31/12/2013		31/12/2012	
	Number of shares	**VND**	**Number of shares**	**VND**
Authorised and issued share capital - par value				
Ordinary shares	148,500,000	1,485,000,000,000	141,925,800	1,419,258,000,000
Treasury shares - par value				
Ordinary shares	(4,993,840)	(49,938,400,000)	(10,500,000)	(105,000,000,000)
Shares currently in circulation -par value				
Ordinary shares	143,506,160	1,435,061,600,000	131,425,800	1,314,258,000,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

Movements in share capital during the year were as follows:

	2013		2012	
	Number of shares	**VND**	**Number of shares**	**VND**
Balance at the beginning of the year	131,425,800	1,314,258,000,000	130,581,700	1,305,817,000,000
Shares issued during the year	6,574,200	65,742,000,000	-	-
Treasury shares re-issued during the year	5,506,160	55,061,600,000	3,500,000	35,000,000,000
Treasury shares purchased during the year	-	-	(2,655,900)	(26,559,000,000)
Balance at the end of the year	143,506,160	1,435,061,600,000	131,425,800	1,314,258,000,000

Movements in treasury shares during the year were as follows:

	2013 VND	2012 VND
Opening balance	129,471,347,730	139,395,212,895
Treasury shares re-issued during the year	(67,894,148,687)	(43,155,705,303)
Treasury shares purchased during the year	-	33,231,840,138
Closing balance	61,577,199,043	129,471,347,730

During the year, the Board of Management resolved to re-issue all of its treasury shares at stock exchange at price not lower than VND12,000 per share. Accordingly, 5,506,160 treasury shares were re-issued in January, March, April, October and November 2013 at price ranging from VND12,400 to VND15,777 per share.

25. Dividend

The Board of Management of the Company on 25 April 2013 resolved to distribute cash dividends amounting to VND500 per share from 2012 profit and VND500 per share for the first payment from 2013 profit. Board of Management on 10 December 2013 also resolved to distribute cash dividends amounting to VND500 per share for the second payment of 2013 profit (2012: cash dividends amounting to VND2,000 per share from 2011 profits and VND1,500 per share from 2012 profit).

26. Equity funds

(i) Investment and development funds

Investment and development funds were appropriated from retained profits in accordance with the resolution of General Meeting of Shareholders. These funds were established for the purpose of future business expansion.

(ii) Financial reserves

Financial reserves were appropriated from retained profits in accordance with the resolution of General Meeting of Shareholders. The reserves are established as resourse for the Company's future general business risks.

27. Total revenue

Total revenue represented the gross invoiced value of goods sold and service provided exclusive of value added tax.

Net revenue comprised:

	2013 VND	2012 VND
Total revenue		
▪ Sales of sugar	1,982,660,499,695	1,708,602,729,126
▪ Sales of molasses	78,762,269,901	76,114,651,622
▪ Sales of electricity	38,959,477,600	43,979,441,100
▪ Sales of fertilizer	101,714,695,273	100,485,008,141
▪ Others	20,320,939,920	33,570,089,414
	2,222,417,882,389	1,962,751,919,403
Less sales deductions		
▪ Sales allowance	(2,377,648,307)	(1,923,036,716)
Net sales	2,220,040,234,082	1,960,828,882,687

28. Cost of sales

	2013 VND	2012 VND
Cost of sugar	1,716,693,876,122	1,365,479,758,664
Cost of molasses	77,775,025,533	75,219,700,691
Cost of electricity	36,286,311,266	38,389,857,364
Cost of fertilizer	96,787,488,627	97,422,970,892
Others	11,516,265,378	14,301,641,697
	1,939,058,966,926	1,590,813,929,308

29. Financial income

	2013 VND	2012 VND
Interest income from prepayments to sugar cane farmers	64,810,450,331	39,645,920,757
Interest income from deposits from banks	585,214,064	6,191,995,651
Interest income from loans to related companies	58,039,927,252	56,386,021,211
Dividends income	30,853,567,400	24,935,208,400
Realised foreign exchange gains	363,961,213	494,708,259
Gains from sales of investments in securities	-	185,554,905,691
	154,653,120,260	313,208,759,969

30. Financial expenses

	2013 VND	2012 VND
Interest expenses	95,727,748,245	75,345,627,183
(Reversal)/allowance for the diminution in the value of short-term and long-term investments	(50,453,872,442)	94,750,350,696
Allowance for doubtful debts	2,982,388,452	463,824,897
Realised foreign exchange losses	1,482,682,542	-
Others	2,375,631,318	1,215,258,263
	52,114,578,115	171,775,061,039

31. Income tax

(a) Recognised in the statement of income

	2013 VND	2012 VND
Current tax expense		
Current year	37,054,065,134	49,859,780,069
Under provision in prior years	243,526,169	1,520,556,817
	37,297,591,303	51,380,336,886
Deferred tax (income)/expense		
Origination and reversal of temporary differences	(811,455,324)	757,256,230
Income tax expense	36,486,135,979	52,137,593,116

(b) Reconciliation of effective tax rate

	2013 VND	2012 VND
Profit before tax	275,492,802,965	422,271,043,925
Tax at the Company's applicable tax rate	27,549,280,297	42,227,104,393
Effect of different tax rates applied to other income	16,040,910,189	22,456,533,983
Non-deductible expenses	365,811,174	143,750,673
Tax exempt income	(7,713,391,850)	(6,233,802,100)
Tax incentives	-	(7,976,550,650)
Under provision in prior years	243,526,169	1,520,556,817
Income tax expense	36,486,135,979	52,137,593,116

(c) Applicable tax rates

Under the terms of its Investment Certificate, the Company has an obligation to pay the government corporate income tax at the rate of 10% of taxable profits.

All of the above tax exemption and reduction are not applicable to other income which is taxed at a rate of 25%. On 19 June 2013, the National Assembly approved the Law on amendments and supplements to a number of articles of the Corporate Income Tax Law. Accordingly, the highest income tax rate shall be reduced from 25% to 22% for 2014 and 2015, and to 20% from 2016.

32. Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2013 was based on the profit attributable to ordinary shareholders of VND239,006 million (2012: VND370,133 million) and a weighted average number of ordinary shares outstanding of 137,040,862 (2012: 128,083,124), calculated as follows:

(i) Net profit attributable to ordinary shareholders

	2013 VND	2012 VND
Net profit attributable to ordinary shareholders	239,006,666,986	370,133,450,809

(ii) Weighted average number of ordinary shares

	2013 VND	2012 VND
Issued ordinary shares at the beginning of the year	131,425,800	130,581,700
Issued ordinary shares during the year	3,091,637	-
Effect of re-issuance of treasury shares during the year	2,523,425	32,514
Effect of purchase of treasury shares during the year	-	(2,531,090)
Weighted average number of ordinary shares for the year	137,040,862	128,083,124

33. Financial instruments

(a) Financial risk management

(i) Overview

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk; and
- market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

The Supervisory Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(ii) Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

(i) Exposure to credit risk

The total of carrying amounts of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	31/12/2013 VND	31/12/2012 VND
Cash in banks	(*)	277,022,939,618	110,269,449,087
Short-term investments	(**)	118,541,861,042	202,458,604,234
Trade and other receivables	(***)	271,306,077,916	334,027,614,306
Prepayments to sugar cane farmers	(****)	468,772,164,036	332,961,000,229
		1,135,643,042,612	979,716,667,856

(*) *Cash in banks*

Cash in banks of the Company is mainly held with well-known financial institutions. Management does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Company.

(**) *Short-term investments*

In response to the risk, the management of the Company analysed creditworthiness individually. Allowance for diminution in the value incurred when the Management foresee and in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements.

Based on historic default rates, the Company believes that, apart from the amount provided, no further allowance for diminution in value of short-term investment is necessary in respect of the outstanding short-term investments balances as of 31 December 2013. The ageing analysis of the short-term investment is as follows:

	31/12/2013 VND	31/12/2012 VND
Past due 0 – 180 days	16,610,121,414	132,570,096,922
Past due 181 – 365 days	83,072,093,453	19,011,236,479
Past due more than 365 days	18,859,646,175	50,877,270,833
	118,541,861,042	202,458,604,234

(***) *Trade and other receivables*

The Company's exposure to credit risk in relation with receivables is mainly influenced by the individual characteristics of each customer. In response to the risk, management of the Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. In addition, the Company asks for collateral from some customers for each sale order. Receivables are due within 30 days from the date of billing. Debtors with balances that are more than 30 days outstanding are requested to settle the balances before further credit is granted.

Trade and other receivables that are neither past due or impaired are mostly due from companies with good collection track records with the Company. Management believes that those receivables are of high credit quality.

The ageing analysis of trade receivables and other receivables is as follows:

	31/12/2013 VND	31/12/2012 VND
Not past due	226,764,124,397	257,787,899,165
Past due 0 – 30 days	26,233,897,389	76,239,715,141
Past due more than 30 days	18,308,056,130	-
	271,306,077,916	334,027,614,306

(****) ***Prepayments to sugar cane farmers***

The Company's exposure to credit risk in relation with the prepayments to sugar cane farmers is mainly influenced by the individual characteristics of each farmer. In response to the risk, management of the Company has established a loans policy under which each financial support request from each farmer is analysed individually for creditworthiness before the Company's standard drawdown and loans terms and conditions are offered. Certain sugar cane farmers are required to pledge their land use rights as the security for the prepayments. In addition, sugar cane farmers are also required to sell all of their sugar cane to the Company and this amount will be net off with the relevant prepayments. The prepayments are collected according to each drawdown and based on the schedule to be mutually agreed between the farmers and the Company. Farmers with balances that are overdue are requested to settle the balances before further credit is granted.

Based on historic default rates, the Company believes that, apart from the amount provided, no further allowance for diminution in value of prepayments to sugar cane farmers is necessary in respect of the outstanding prepayments balances as of 31 December 2013. The ageing analysis of the prepayments not impaired is as follows:

	31/12/2013 VND	31/12/2012 VND
Not past due	464,764,411,574	328,284,560,532
Past due more than 180 days	4,007,752,462	4,676,439,697
	468,772,164,036	332,961,000,229

The movements of allowances for doubtful debts during the year as follows:

	2013 VND	2012 VND
Opening balance	23,042,374,241	18,538,162,841
Increase in allowance during the year	2,982,388,452	4,504,211,400
Utilised during the year	(3,679,154,393)	-
Closing balance	22,345,608,300	23,042,374,241

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The financial liabilities with fixed or determinable payments have the following contractual maturities including the estimated interest payments:

31 December 2013	**Carrying amount VND**	**Contractual cash flows VND**	**Within 1 year VND**	**1 – 2 years VND**	**2 – 5 years VND**	**More than 5 years VND**
Short-term borrowings and liabilities						
Short-term borrowings	966,704,978,139	990,259,141,088	990,259,141,088	-	-	-
Accounts payable-trade	178,847,802,816	178,847,802,816	178,847,802,816	-	-	-
Payables to employees	4,822,806,760	4,822,806,760	4,822,806,760	-	-	-
Accrued expenses	51,936,591,686	51,936,591,686	51,936,591,686	-	-	-
Other payables	7,729,536,130	7,729,536,130	7,729,536,130	-	-	-
Long-term borrowings						
Long-term borrowings	113,270,221,000	354,176,796,941	297,100,247,133	14,130,570,364	13,126,850,563	29,819,128,881
	1,323,311,936,531	1,587,772,675,421	1,530,696,125,613	14,130,570,364	13,126,850,563	29,819,128,881

31 December 2012	**Carrying amount VND**	**Contractual cash flows VND**	**Within 1 year VND**	**1 – 2 years VND**	**2 – 5 years VND**	**More than 5 years VND**
Short-term borrowings and liabilities						
Short-term borrowings	691,332,892,670	713,203,342,136	713,203,342,136	-	-	-
Accounts payable-trade	41,460,174,576	41,460,174,576	41,460,174,576	-	-	-
Payables to employees	9,431,820,585	9,431,820,585	9,431,820,585	-	-	-
Accrued expenses	60,051,144,927	60,051,144,927	60,051,144,927	-	-	-
Other payables	19,174,814,536	19,174,814,536	19,174,814,536	-	-	-
Long-term borrowings						
Long-term borrowings	72,011,359,776	86,159,311,532	25,645,576,282	27,764,824,901	26,363,958,258	6,384,952,091
	893,462,207,070	929,480,608,292	868,966,873,042	27,764,824,901	26,363,958,258	6,384,952,091

The Company manages its ability to meet the expected operational expenses and servicing its debts by investing its cash surpluses in short-term investments and maintaining several bank facilities.

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The Company is exposed to currency risk on purchases and borrowings that are denominated in a currency other than the accounting currencies of the Company, which is the VND. The currencies in which these transactions primarily are denominated are in United States Dollars (USD).

The Company's exposure to currency risk is managed by keeping the exposure to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term over-exposures.

Exposure to currency risk

At 31 December 2013, the Company had the following net monetary liability position exposed to currency risk:

	31/12/2013 USD	31/12/2012 USD
Cash	11,798	6,601
Short-term borrowings	-	(4,400,000)
Trade payables	(6,841,972)	-
	(6,830,174)	(4,393,399)

The followings are the significant exchange rates applied by the Company:

	Exchange rate as at 31/12/2013	31/12/2012
USD1	21,085	20,815

Below is an analysis of the possible impact on the net profit of the Company after taking into account the current level of exchange rates and the historical volatility as well as market expectations as at 31 December 2013. The analysis assumes that all variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases.

	Effect to net profits VND
31/12/2013	
USD (1% weakening)	(1,681,261,333)
31/12/2012	
USD (2% weakening)	(782,615,000)

The opposite movement of the currency would have the equal but opposite effect to the net profit of the Company as at 31 December 2013.

(ii) Interest rate risk

As at 31 December 2013, VND1,055.6 billion of the liabilities obtained by the Company was at variable interest rate. No policy was in place pertaining to the mitigation of any potential volatility of the interest rate.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

	Carrying amount 31/12/2013 VND	Carrying amount 31/12/2012 VND
Fixed rate instruments		
Short-term investments	118,541,861,042	202,458,604,234
Long-term borrowings	(24,370,221,000)	(72,011,359,776)
	94,171,640,042	130,447,244,458
Variable rate instruments		
Cash in banks	277,022,939,618	110,269,449,087
Short-term prepayments to sugar cane farmers	423,523,575,556	278,274,864,065
Long-term prepayments to sugar cane farmers	45,248,588,480	54,686,136,164
Short-term borrowings	(966,704,978,139)	(691,332,892,670)
Long-term borrowings	(88,900,000,000)	-
	(309,809,874,485)	(248,102,443,354)

An increase of 100 basis points in interest rates would have decreased the net profit of the Company by VND2,788 million (31 December 2012: VND3,173 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(e) Fair values

The carrying amounts of financial assets and liabilities shown in the balance sheet are as follows:

	Carrying amount	
	31/12/2013 VND	**31/12/2012 VND**
Categorised as held-to-maturity investments:		
- Short-term investments	118,541,861,042	202,458,604,234
Categorised as loans and receivables:		
- Cash	277,022,939,618	110,269,449,087
- Trade and other receivables	271,306,077,916	334,027,614,306
- Prepayments to suppliers	468,772,164,036	332,961,000,229
Categorised as available-for-sale:		
- Investments in equity instruments	74,915,050,000	93,772,155,000
Categorised as liabilities at amortised cost:		
- Trade and other payables	186,577,338,946	60,634,989,112
- Other short-term liabilities	56,759,398,446	69,482,965,512
- Borrowings	1,079,975,199,139	763,344,252,446

The following policies were used to estimate the fair value for each class of financial instrument:

Cash, short-term investments, trade and other receivables, trade and other payables, short-term prepayments to sugar cane farmers, short-term borrowings and other short-term liabilities:

The carrying amounts approximate their respective fair values due to the short-term maturity of these instruments.

Long-term borrowings and long-term prepayments to sugar cane farmers

The Company has not determined fair value of long-term borrowings and long-term prepayments to sugar cane farmers for disclosure in accordance with Article 28 of Circular No. 210/2009/TT-BTC dated 6 November 2009 of the Ministry of Finance because (i) quoted prices in active market are not available for these financial instruments; and (ii) Vietnamese Accounting Standards and the Vietnamese Accounting System do not provide guidance on measurement of fair values in the case where quoted prices in active market are not available. Fair value of these financial instruments may be different from their carrying values.

Investments in securities

	31/12/2013 Carrying amount VND	31/12/2013 Fair value VND
Ninh Hoa Sugar Joint Stock Company	74,915,050,000	73,117,088,800

The fair value of investment in shares of Ninh Hoa Sugar Joint Stock Company is determined by reference to the market price on Ho Chi Minh City Stock Exchange as at 31 December 2013.

Other long-term investments

The Company has not determined fair value of investments in other long-term investment in equity for disclosure in accordance with Article 28 of Circular No. 210/2009/TT-BTC dated 6 November 2009 of the Ministry of Finance because (i) quoted prices in active market are not available for these financial assets; and (ii) Vietnamese Accounting Standards and the Vietnamese Accounting System do not provide guidance on measurement of fair values in the case where quoted prices in active market are not available. Fair value of these financial instruments may be different from their carrying values.

34. Non-cash investing and financing activities

	2013 VND	2012 VND
Interest receivables converted into loans receivables from a related company	39,133,494,793	93,483,547,843
Interest receivable offset against trade payables	42,281,536,349	12,402,586,346

35. Significant transactions with related parties

In additions to balances with related parties disclosed in other notes to these financial statements, during the year there were the following significant transactions with related parties:

	2013 VND	2012 VND
Shareholders		
Thanh Thanh Cong Investment Joint Stock Company		
Sales of goods	108,313,592,768	60,009,516,860
Purchases of raw sugar	267,376,797,263	213,574,000,000
Received from sale of Bourbon An Hoa shares	-	24,000,000,000
Interest income	8,755,418,606	9,870,642,525
Interest expenses	1,062,639,417	2,442,568,333
Lending	100,000,000,000	188,000,000,000
Advances received for purchase sugar and molasses	67,200,000,000	134,537,560,000
Management expenses	5,855,960,710	5,627,000,000
Purchases of Nuoc Trong Sugar shares	53,765,987,400	-
Car rental income	36,000,000	-
Dividend paid	52,871,400,000	123,366,600,000
Thuan Thien Trading and Investment Limited Company		
Sales of La Nga Sugar shares	-	6,900,000,000
Purchases of goods	1,696,210,477	-
Lending	60,000,000,000	-
Interest income	4,206,552,776	-
Dividend paid	52,583,505,000	122,694,845,000
Related companies		
Thanh Thanh Cong Trading Joint Stock Company		
Sales of goods	3,138,579,924	-
Purchases of goods	641,464,046	-
Interest income	6,332,666,665	-
Tank rental income	229,090,911	-
Bourbon An Hoa Joint Stock Company		
Interest income	37,109,703,671	46,577,960,336
Lending	-	107,983,547,843
Settlement loans	165,652,791,317	-
Prepayments for purchases of land use right	165,580,800,000	-
Bien Hoa Sugar Joint Stock Company		
Sales of goods	6,505,781,144	11,942,561,446
Purchases of goods	34,223,736,928	3,188,429,301
Dividends received	13,630,296,000	20,445,444,000
Processing fees	1,533,039,715	-
Warehouse storage fees	64,611,107	-
Purchase shares of Bien Hoa Sugar	68,151,480,000	-

	2013 VND	2012 VND
La Nga Sugar Joint Stock Company		
Purchases of raw sugar	23,182,246,616	-
Dividend received	4,489,764,400	4,489,764,400
Thanh Thanh Cong Sugarcane Research and Application Joint Stock Company		
Contributed capital	7,200,000,000	-
Land rental	240,000,000	-
Purchases sugar cane sprouts	3,861,000	-
Purchases sugar cane	129,931,000	-
Analysis charged fees	69,615,000	-
Nuoc Trong Sugar Joint Stock Company		
Sale of cutting sugar cane	1,452,329,500	-
Purchases of raw sugar	13,333,333,000	-
Dividend received	2,778,604,000	-
Tay Ninh Chemical Industry Joint Stock Company		
Contributed capital	31,579,200,000	-
Gia Lai Cane Sugar Thermoelectricity Joint Stock Company		
Dividend received	5,460,000,000	-
Purchase shares of Gia Lai Cane Sugar	25,200,000,000	48,823,125,000
Board of Management		
Remuneration and business allowances	4,933,922,508	2,954,676,000

36. Commitments

(a) Capital commitments

As at 31 December 2013, the Company had the following outstanding capital commitments approved but not provided for in the balance sheet:

	31/12/2013 VND	31/12/2012 VND
Approved but not contracted (*)	429,920,937,965	64,692,932,637
Approved and contracted	5,110,000,000	46,646,303,584
	435,030,937,965	111,339,236,221

(*) Major capital commitments approved but not contracted during the year are as follows:

	31/12/2013 VND
Project Ethanol	299,713,350,000
Project Espace Bourbon Tay Ninh	113,680,413,889
Others	16,527,174,076
	429,920,937,965

(b) Leases

The future minimum lease payments under non-cancellable operating leases were:

	31/12/2013 VND	31/12/2012 VND
Within one year	471,719,767	293,877,817

37. Production and business costs by element

	31/12/2013 VND	31/12/2012 VND
Raw material costs included in production costs	1,763,116,960,096	1,402,257,095,037
Labour costs and staff costs	90,334,346,843	76,383,072,198
Depreciation and amortisation	84,425,873,301	81,280,057,510
Outside services	74,771,085,695	101,504,983,772
Other expenses	39,474,993,078	26,842,856,799

19 March 2014

Prepared by:

Nguyen Thi Thuy Tien
Chief Accountant

Approved by:

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Nguyen Ba Chu
General Director