

รายงานประจำปี

ANNUAL REPORT

2557 / 2014



บริษัท ชลประทานซีเมนต์ จำกัด (มหาชน)
Jalapraphan Cement
Public Company Limited



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Message from the Chairman

Jalaprathan Cement Public Co., Ltd.



In 2014 the domestic demand for cement totaled approximately 34.9 million tons, an increase of 1.8% compared with the demand in 2013. In terms of its overall performance for 2014, Jalaprathan Cement yielded a total income of 3,225 million baht, an increase of 3% from the previous year, and a net profit of 380 million baht.

Moreover, the company has also unveiled a new cement product – the technical grade dry mortar cement, namely adhesive cement for ceramic tiles, and for tile grouting, cement based skim coating, and multipurpose repairing cement – cement innovations that help fulfill the needs of cement users of today who look for instant, convenient use by focusing more on the quality of the merchandise and greater product variety

In 2014 the Cha-am Plant, Phetchaburi Province was awarded as Outstanding Workplace for compiling to the measures in the EIA Monitoring Award 2014 by the Office of Natural Resources and Environmental Planning, the Ministry of Natural Resources and Environment. The measures are found in a report of the analysis of environmental impacts that show outstanding environmental management.

Furthermore, both the Takli and Cha-am Plants have carried out several projects that benefit Thai society on a continuous basis in accordance with its sustainable development policies for example the “Golden Naga Scholarships” as well as assistance in the term of school lunches and sports equipment for schools located nearby the Plants and those further away such as the one in Nong Plub sub-district, Prachuap Khirikhan Province and its mobile health clinic project as well.

The Company has also installed the 4kW on-grid solar PV rooftops parallel to the electricity provided by the Provincial Electricity Authority for two schools in Cha-am district and one school in Takli district that are under the supervision of the Office of the Basic Education Commission. This has resulted in a drastic reduction of 80-90% in the schools’ electricity bills thereby providing a 20-25% increase to their annual expenditure budget each year.

On behalf of the Board of Directors of Jalaprathan Cement, I would like to express my heartfelt thanks and appreciation to our benefactors, shareholders, management and employees for the continued support.

(Gen. Ayupoon Karnasuta)
Chairman of the Board

Board of Directors

Jalaprathan Cement Public Co., Ltd.

Board of Directors

As of 31 December 2014

Chairman

General Ayupoon Kamasuta

Directors

Police General Suthep Dhamaraks

Mr. Giovanni Maggiora

Mr. Goran Leopold Seifert

Mr. Roberto Callieri

Mr. Nopadol Ramyarupa

Mr. Rapee Sukhyanga

Managing Director

Managing Director

Secretary to the Board of Directors

1. Basic Information of the Company

Company:	Jalaprathan Cement Public Company Limited
Establishment:	September 12, 1956
Head Office:	23/124-128 Soi Soonvijai, Rama 9 Road, Kwaeng Bangkapi, Khet Huaykwang, Bangkok
Plant:	Jalaprathan Cement Takli 1 Jalaprathan Cement Road, Tambon Takli, Amphur Takli, Nakonsawan Province Jalaprathan Cement Cha-am 1 Jalaprathan Cement Road, Tambon Cha-am, Amphur Cha-am, Petchburi Province
Type of Business:	Cement Production and Sale
Registration No.:	0107537001676 (Previous No. PLC 414)
Registered Capital in the Beginning:	
Registered Capital	Baht 60,000,000
Paid up Capital	Baht 60,000,000 comprising common share of 60,000 shares
Par Value	Common Share, Baht 1,000 per share
Registered Capital in Current Year:	
Registered Capital	Baht 1,200,000,000
Paid up Capital	Baht 1,200,000,000 comprising common share of 120,000,000 shares
Par Value	Common Share, Baht 10 per share

2. Information of Subsidiaries (The Company holds shares for more than 50 %.)

2.1 Jalaprathan Concrete Company Limited: Common Shares amount 2,799,810 shares which equals to 99.99%.

Head Office Location: 23/124 Soi Soonvijai, Rama 9 Road, Kwaeng Bangkapi, Khet Huaykwang, Bangkok

Type of Business: Ready-mixed Concrete Production and Sale

2.2 Naga Property Company Limited: Common Shares amount 999,995 shares which equals to 99.99%.

Head Office Location: 23/124-128 Soi Soonvijai, Rama 9 Road, Kwaeng Bangkapi, Khet Huaykwang, Bangkok

Type of Business: Real Estate Lease

- 3. The Company nowadays does not hold shares of other companies or private enterprises for more than 10%.**
- 4. The Company's Board of Directors does not have interests in any contracts that the Company has made during the accounting period.**
- 5. The list of all Board of Directors of the Company and the holding of Directors in the Company and subsidiaries in current accounting period and past accounting period is increasing or decreasing as follows:**

5.1 The holding of Board of Directors in Jalapathan Cement Public Company Limited:

Name of Director	Number of Holding		Increasing/Decreasing
	Current Accounting Period	Past Accounting Period	
1. General Ayupoon Karnasuta	No	No	No
2. Mr. Rapee Sukhyanga	No	No	No
3. Mr. Giovanni Maggiora	No	No	No
4. Police General Suthep Dhamaraks	No	No	No
5. Mr. Goran Leopold Seifert	No	No	No
6. Mr. Nopadol Ramyarupa	No	No	No
7. Mr. Roberto Callieri	No	No	No

5.2 The holding of Board of Directors in Jalapathan Concrete Company Limited

Name of Director	Number of Holding		Increasing/Decreasing
	Current Accounting Period	Past Accounting Period	
1. Mr. Rapee Sukhyanga	No	No	No
2. Mr. Roberto Callieri	No	No	No
3. Mr. Nopadol Ramyarupa	No	No	No

5.3 The holding of Board of Directors in Naga Property Company Limited

Name of Director	Number of Holding		Increasing/Decreasing
	Current Accounting Period	Past Accounting Period	
1. Mr. Rapee Sukhyanga	No	No	No
2. Mr. Roberto Callieri	No	No	No
3. Mr. Nopadol Ramyarupa	No	No	No

6. The remuneration of Board of Directors paid in 2014

Name of Director	Remuneration (Baht)
1. General Ayupoon Karnasuta	1,448,000
2. Mr. Rapee Sukhyanga	190,000
3. Mr. Giovanni Maggiora	180,000
4. Police General Suthep Dhamaraks	188,000
5. Mr. Goran Leopold Seifert	180,000
6. Mr. Nopadol Ramyarupa	190,000
7. Mr. Roberto Callieri	180,000
Total (Baht)	2,556,000

Independent Auditor's Report

To the Shareholders of Jalaprathan Cement Public Company Limited

I have audited the accompanying consolidated financial statements of Jalaprathan Cement Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Jalaprathan Cement Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management 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

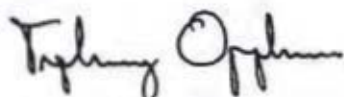
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jalapathan Cement Public Company Limited and its subsidiaries, and of Jalapathan Cement Public Company Limited as at 31 December 2014, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.



Termphong Opanaphan

Certified Public Accountant (Thailand) No. 4501

EY Office Limited

Bangkok: 27 February 2015

Jalapathan Cement Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Assets					
Current assets					
Cash and cash equivalents	6, 7	214,545,403	141,891,485	160,092,470	88,966,397
Trade and other receivables	8	663,552,701	653,187,824	428,444,728	446,925,496
Inventories	9	546,188,199	523,221,895	542,558,283	519,601,714
Input tax refundable		14,977,273	11,419,131	10,702,049	8,415,092
Other current assets		6,485,918	4,478,342	4,009,836	1,951,970
Total current assets		1,445,749,494	1,334,198,677	1,145,807,366	1,065,860,669
Non-current assets					
Investments in subsidiaries	10	-	-	286,241,767	286,241,767
Investment property	11	99,765,000	-	-	-
Property, plant and equipment	12	2,303,140,615	2,434,259,927	2,263,667,617	2,402,079,633
Deferred tax assets	13	77,155,679	38,295,815	57,730,052	33,526,833
Other non-current assets		4,280,835	2,808,681	1,684,775	365,121
Total non-current assets		2,484,342,129	2,475,364,423	2,609,324,211	2,722,213,354
Total assets		3,930,091,623	3,809,563,100	3,755,131,577	3,788,074,023

The accompanying notes are an integral part of the financial statements.

Jalapathan Cement Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2014

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institution	14	280,000,000	350,000,000	280,000,000	350,000,000
Trade and other payables	15	790,172,881	650,224,630	613,818,885	468,331,634
Current portion of long-term loans from related parties	7	499,236,474	813,174,130	557,736,474	913,174,130
Short-term provisions		1,276,000	900,000	1,276,000	900,000
Income tax payable		5,111,954	13,639,077	-	-
Other current liabilities		23,034,414	16,131,841	14,714,085	9,818,499
Total current liabilities		1,598,831,723	1,844,069,678	1,467,545,444	1,742,224,263
Non-current liabilities					
Long-term loans from related parties - net					
of current portion	7	-	-	-	125,000,000
Provision for long-term employee benefits	16	52,670,857	42,738,105	27,200,311	22,397,715
Long-term provisions		3,015,002	3,062,045	3,015,002	3,062,045
Deferred tax liabilities	13	239,974,281	259,145,354	239,974,281	259,145,354
Total non-current liabilities		295,660,140	304,945,504	270,189,594	409,605,114
Total liabilities		1,894,491,863	2,149,015,182	1,737,735,038	2,151,829,377

The accompanying notes are an integral part of the financial statements.

Jalaprathan Cement Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2014

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Shareholders' equity					
Share capital					
Registered					
120,000,000 ordinary shares of Baht 10 each		<u>1,200,000,000</u>	<u>1,200,000,000</u>	<u>1,200,000,000</u>	<u>1,200,000,000</u>
Issued and fully paid					
120,000,000 ordinary shares of Baht 10 each		1,200,000,000	1,200,000,000	1,200,000,000	1,200,000,000
Share premium		973,768,690	973,768,690	973,768,690	973,768,690
Retained earnings					
Appropriated					
Statutory reserve	17	54,026,280	54,026,280	54,026,280	54,026,280
Other reserve	18	122,000,000	122,000,000	122,000,000	122,000,000
Unappropriated (deficit)		(1,267,537,785)	(1,720,520,361)	(1,285,716,692)	(1,744,802,985)
Other components of shareholders' equity	19	<u>953,318,661</u>	<u>1,031,252,661</u>	<u>953,318,261</u>	<u>1,031,252,661</u>
Equity attributable to owners of the Company		2,035,575,848	1,660,527,270	2,017,396,539	1,636,244,646
Non-controlling interests of the subsidiaries		<u>23,914</u>	<u>20,648</u>	-	-
Total shareholders' equity		<u>2,035,599,760</u>	<u>1,660,547,918</u>	<u>2,017,396,539</u>	<u>1,636,244,646</u>
Total liabilities and shareholders' equity		<u>3,930,091,623</u>	<u>3,809,563,100</u>	<u>3,755,131,577</u>	<u>3,788,074,023</u>

The accompanying notes are an integral part of the financial statements.

Jalaprathan Cement Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2014

(Unit: Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
Profit or loss:					
Revenues					
Sales		3,192,154,375	3,117,147,727	2,451,005,720	2,365,718,625
Interest income		1,451,578	1,360,569	716,553	771,860
Gains on sales of fixed assets		672,445	5,424,994	66,932,792	5,804,829
Other income		30,922,145	9,140,007	28,891,794	7,455,568
Total revenues		<u>3,225,200,543</u>	<u>3,133,073,297</u>	<u>2,547,546,859</u>	<u>2,379,750,882</u>
Expenses					
Cost of sales		2,732,218,359	2,762,027,390	2,069,734,188	2,100,365,063
Selling expenses		158,086	1,523,614	158,086	1,510,000
Administrative expenses		105,833,316	149,067,809	80,075,382	122,013,981
Allowance for doubtful accounts (reversal)		297,570	785,576	(410,441)	179,307
Total expenses		<u>2,838,507,331</u>	<u>2,913,404,389</u>	<u>2,149,557,215</u>	<u>2,224,068,351</u>
Profit before finance cost and income tax expenses		386,693,212	219,668,908	397,989,644	155,682,531
Finance cost		(50,288,883)	(56,694,070)	(57,285,986)	(66,319,508)
Profit before income tax expenses		336,404,329	162,974,838	340,703,658	89,363,023
Income tax income	13	43,646,493	1,212,943	42,789,081	15,989,103
Profit for the year		<u>380,050,822</u>	<u>164,187,781</u>	<u>383,492,739</u>	<u>105,352,126</u>
Other comprehensive income:					
Acturial gains (losses) arising from post-employment benefits, net of income tax	13, 16	(4,998,980)	1,923,205	(2,340,846)	914,403
Other comprehensive income for the year		<u>(4,998,980)</u>	<u>1,923,205</u>	<u>(2,340,846)</u>	<u>914,403</u>
Total comprehensive income for the year		<u>375,051,842</u>	<u>166,110,986</u>	<u>381,151,893</u>	<u>106,266,529</u>
Profit attributable to:					
Equity holders of the Company		380,047,376	164,183,789	383,492,739	105,352,126
Non-controlling interests of the subsidiaries		3,446	3,992		
		<u>380,050,822</u>	<u>164,187,781</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		375,048,576	166,106,926	381,151,893	106,266,529
Non-controlling interests of the subsidiaries		3,266	4,060		
		<u>375,051,842</u>	<u>166,110,986</u>		
Basic earnings per share					
	21				
Profit attributable to equity holders of the Company		3.17	1.37	3.20	0.88

The accompanying notes are an integral part of the financial statements.

Jalaprathan Cement Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company					Other components of equity				
	Issued and paid-up share capital	Share premium	Retained earnings		Unappropriated (deficit)	Surplus on revaluation of land	Total equity attributable to owners of the Company		Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
			Appropriated - statutory reserve	Appropriated - other reserve			income	Other comprehensive income		
Balance as at 1 January 2013	1,200,000,000	973,768,690	54,026,280	122,000,000	(1,917,251,287)	1,061,876,661	-	-	16,588	1,494,436,932
Profit for the year	-	-	-	-	164,183,789	-	-	-	3,992	164,187,781
Other comprehensive income for the year	-	-	-	-	1,923,137	-	-	-	68	1,923,205
Total comprehensive income for the year	-	-	-	-	166,106,926	-	-	-	4,060	166,110,986
Reversal revaluation surplus on land as a result of disposal (Note 12)	-	-	-	-	30,624,000	-	(30,624,000)	-	-	-
Balance as at 31 December 2013	1,200,000,000	973,768,690	54,026,280	122,000,000	(1,720,520,361)	1,031,252,661	-	-	20,648	1,660,547,918
Balance as at 1 January 2014	1,200,000,000	973,768,690	54,026,280	122,000,000	(1,720,520,361)	1,031,252,661	-	-	20,648	1,660,547,918
Profit for the year	-	-	-	-	380,047,376	-	-	-	3,446	380,050,822
Other comprehensive income for the year	-	-	-	-	(4,988,800)	-	-	-	(180)	(4,988,980)
Total comprehensive income for the year	-	-	-	-	375,048,576	-	-	-	3,266	375,051,842
Reversal revaluation surplus on land as a result of transfer to investment property (Note 12)	-	-	-	-	77,934,000	-	(77,934,000)	-	-	-
Balance as at 31 December 2014	1,200,000,000	973,768,690	54,026,280	122,000,000	(1,287,537,785)	953,318,661	-	-	23,914	2,035,599,760

The accompanying notes are an integral part of the financial statements.

Jalaprathan Cement Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Separate financial statements						
	Issued and paid-up share capital	Retained earnings			Other components of equity		
		Share premium	Appropriated - statutory reserve	Appropriated - other reserve	Unappropriated (deficit)	Surplus on revaluation of land	
			income	shareholders' equity			
Balance as at 1 January 2013	1,200,000,000	973,768,690	54,026,280	122,000,000	(1,881,693,514)	1,061,876,661	1,529,978,117
Profit for the year	-	-	-	-	105,352,126	-	105,352,126
Other comprehensive income for the year	-	-	-	-	914,403	-	914,403
Total comprehensive income for the year	-	-	-	-	106,266,529	-	106,266,529
Reversal revaluation surplus on land as a result of disposal (Note 12)	-	-	-	-	30,624,000	(30,624,000)	-
Balance as at 31 December 2013	1,200,000,000	973,768,690	54,026,280	122,000,000	(1,744,802,985)	1,031,252,661	1,636,244,646
Balance as at 1 January 2014	1,200,000,000	973,768,690	54,026,280	122,000,000	(1,744,802,985)	1,031,252,661	1,636,244,646
Profit for the year	-	-	-	-	383,492,739	-	383,492,739
Other comprehensive income for the year	-	-	-	-	(2,340,846)	-	(2,340,846)
Total comprehensive income for the year	-	-	-	-	381,151,893	-	381,151,893
Reversal revaluation surplus on land as a result of disposal (Note 12)	-	-	-	-	77,934,400	(77,934,400)	-
Balance as at 31 December 2014	1,200,000,000	973,768,690	54,026,280	122,000,000	(1,285,716,692)	953,318,261	2,017,396,539

The accompanying notes are an integral part of the financial statements.

Jalaprathan Cement Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2014

			(Unit: Baht)	
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit before tax	336,404,329	162,974,838	340,703,658	89,363,023
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation	162,594,960	154,984,457	152,311,787	145,633,270
Allowance for doubtful accounts (reversal)	(125,037)	431,961	(410,441)	(9,808)
Reversal decrease of inventory to net realisable value	(10,468,846)	(3,782,674)	(10,468,846)	(3,782,674)
Reversal allowance for impairment loss on assets	(3,578,093)	-	(3,578,093)	-
Provision for long-term employee benefits	3,684,026	3,530,073	1,876,538	1,753,675
Long-term provisions	750,000	530,000	750,000	530,000
Written off bad debts	431,114	353,615	-	189,115
Written off assets	108,759	740,194	-	-
Gains on sales of plant and equipment	(672,445)	(6,165,188)	(66,932,791)	(5,804,829)
Unrealised (gains) losses on exchange	(14,008,700)	12,738,337	(14,008,700)	12,738,337
Interest income	(88,307)	-	-	-
Interest expenses	39,537,367	47,568,096	48,361,170	59,154,384
Income from operating activities before changes in operating assets and liabilities	514,569,127	373,903,709	448,604,282	299,764,493
Operating assets (increase) decrease				
Trade and other receivables	(10,329,054)	(114,586,394)	18,891,209	(51,912,393)
Inventories	(33,172,066)	(40,340,043)	(33,162,331)	(40,146,208)
Other current assets	(4,146,043)	(4,983,335)	(2,938,891)	(2,873,568)
Other non-current assets	(1,472,154)	(312,600)	(1,319,654)	17,400
Operating liabilities increase (decrease)				
Trade and other payables	118,316,118	(156,169,629)	134,964,886	(125,501,099)
Short-term provisions	376,000	(1,143,000)	376,000	(1,143,000)
Other current liabilities	6,902,575	2,038,235	4,895,587	1,685,834
Provision for long-term employee benefits	-	(955,750)	-	(102,100)
Long-term provisions	(797,043)	(300,901)	(797,043)	(300,901)
Cash from operating activities	590,247,460	57,150,292	569,514,045	79,488,458
Cash receipt from previous year income tax	309,654	4,550,433	309,654	678,334
Cash paid for income tax	(23,377,408)	(3,692,615)	(1,715,586)	(674,579)
Net cash from operating activities	567,179,706	58,008,110	568,108,113	79,492,213

The accompanying notes are an integral part of the financial statements.

Jalaprathan Cement Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from investing activities				
Acquisition of plant and equipment	(78,643,543)	(97,270,672)	(71,943,352)	(91,984,407)
Proceeds from sales of plant and equipment	349,941	44,865,430	306,581	44,505,000
Interest income	74,564	-	-	-
Net cash used in investing activities	(78,219,038)	(52,405,242)	(71,636,771)	(47,479,407)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institution	(70,000,000)	100,000,000	(70,000,000)	100,000,000
Repayment of long-term loans from related parties	(300,000,000)	-	(300,000,000)	(50,000,000)
Interest expenses	(46,306,750)	(43,778,412)	(55,345,269)	(55,153,782)
Net cash from (used in) financing activities	(416,306,750)	56,221,588	(425,345,269)	(5,153,782)
Net increase in cash and cash equivalents	72,653,918	61,824,456	71,126,073	26,859,024
Cash and cash equivalents at beginning of year	141,891,485	80,067,029	88,966,397	62,107,373
Cash and cash equivalents at end of year	214,545,403	141,891,485	160,092,470	88,966,397
Supplemental cash flows information				
Non-cash transactions				
Purchases of equipment for which no cash has been paid	28,472,559	26,139,050	17,577,508	20,998,035
Transferred cement and spare parts to construction in progress during the year	20,674,608	20,481,545	20,674,608	20,481,545
Transferred land to investment property	99,765,000	-	-	-
Loan repayment to a related company in the form of investment property	-	-	166,500,000	-
Sales of equipment for which no cash has been receipt	341,900	-	-	-

The accompanying notes are an integral part of the financial statements.

Jalaprathan Cement Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2014

1. General information

Jalaprathan Cement Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Its parent company is Asia Cement Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the manufacture and distribution of cement. The registered offices of the Company are as follows:

Head office:	23/124-128 Soi Soonvijai Rama 9 Road, Bangkapi, Huaykwang, Bangkok.
Takli plant:	1 Jalaprathan Cement Road, Tambol Takli, Amphur Takli, Nakornsawan.
Cha-Am plant:	1 Jalaprathan Cement Road, Tambol Cha-Am, Amphur Cha-Am, Petchaburi.

In January 2009, the Company suspended clinker production at Cha-Am and Takli plants and recorded impairment loss on buildings, machines, equipment and spare parts related to those productions in its accounts. Consequently in 2011, the Company operated clinker production at normal capacity at Cha-am plant. The Company's management therefore decided to reverse the impairment loss recorded for buildings, machines and equipment related to clinker production at Cha-am plant.

As at 31 December 2014, the Company maintain the impairment loss on buildings, machines, equipment and spare parts related to clinker production at Takli plant same as recorded in 2009, even though it produced clinker in year 2013 but not at normal production capacity.

As at 31 December 2014, the Company's current liabilities exceeded its current assets by Baht 322 million (2013: Baht 676 million), and it had deficit of Baht 1,286 million (2013: Baht 1,745 million). However, the Company continues to receive financial support from its related parties. In addition, the Company's management had reoriented the Company and change the production plan in order to obtain the production costs which can be compete in the market.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Jalaprathan Cement Public Company Limited ("the Company") and two subsidiaries ("the subsidiaries") which are incorporated in Thailand. These are detailed below.

Company's name	Nature of business	Percentage of shareholding	
		<u>2014</u> %	<u>2013</u> %
Jalaprathan Concrete Co., Ltd.	Manufacturing of ready-mixed concrete	99.99	99.99
Naga Property Co., Ltd.	Ceased its operation	100.00	100.00

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- e) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements, which present investments in subsidiaries under the cost method, have been prepared solely for the benefit of the public.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Financial reporting standards that became effective in the current accounting year

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease

TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. These financial reporting standards do not have any significant impact on the financial statements.

(b) Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company and its subsidiaries believe they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognised actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 *Consolidated and Separate Financial Statements*. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company's and its subsidiaries' financial statements.

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 *Interests in Joint Ventures*. This standard requires an entity to account for an investment in a jointly controlled entity that meets the definition of a joint venture using the equity method, while TAS 31 allows the entity to apply either the proportionate consolidation method or the equity method to account for such an investment.

The management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company's and its subsidiaries' financial statements.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact to the financial statements of the Company and its subsidiaries.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company's and its subsidiaries' financial statements.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Rental income

Rental income is recognised over the term of the lease, on an accrual basis.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

4.4 Inventories

Finished goods and work in process are valued at the lower of cost (under the weighted average method) and net realisable value. Cost includes all production costs and attributable factory overheads.

Raw materials are valued at the lower of cost (under the weighted average method) and net realisable value and are charged to production costs whenever consumed.

Spare parts and supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

4.5 Investments

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.6 Investment property

Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at cost less allowance for loss on impairment (if any).

On disposal of investment property, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.7 Property, plant and equipment/Depreciation

Land is stated at revalued amount less allowance for loss on impairment of assets.

Quarries cost is stated at cost less accumulated depletion and allowance for loss on impairment of assets (if any).

Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets.

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values, by using Market Approach. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Company's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised equity under the heading of "Surplus on revaluation of land". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Company's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Surplus on revaluation of land" in respect of the same asset.

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings and structures	-	5 - 30 years
Machinery, tools and equipment	-	5 - 30 years
Furniture, fixtures and office equipment	-	3 - 10 years
Motor vehicles	-	5 - 10 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

In certain cases the Company owns quarries from which it extracts its raw materials. In these cases the stated value includes the purchase price of the land and any improvement costs. When not owned, the quarries costs represent the improvement costs, survey and replantation costs.

The depletion rate for the year is determined by the ratio between the actual units of resources extracted for the year and total number of units extractable from the quarries.

4.8 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.9 Long-term leases

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.10 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items included in the consolidated financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.11 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment, and investment property whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. However in cases where land was previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.12 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

4.13 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.14 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred Tax

Deferred income tax is provided on temporary differences between their carrying amounts and the tax bases of assets and liabilities, by using the enacted tax rate at the end of reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At the end of each reporting period, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to equity if the tax relates to items that are recorded directly to equity.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Allowance for diminution in value of inventory

In determining an allowance for diminution in value of inventory, the management makes judgment and estimates net realisable value of inventory based on the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period. Also, the management makes judgment and estimates expected loss from stock obsolescence based upon aging profile of inventories and the prevailing economic condition.

Property plant and equipment, and investment property/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the Company's plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Company measures land at revalued amounts. Such amounts are determined by the independent valuer using the market approach. The valuation involves certain assumptions and estimates.

In addition, the management is required to review property, plant and equipment, and investment property for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognised in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Bank deposits	214,545	141,891	160,092	88,966
Total	214,545	141,891	160,092	88,966

As at 31 December 2014, bank deposits in saving accounts carried interests at the rate 0.25 - 0.50 percent per annum (2013: 0.50 - 0.63 percent per annum) (Separate financial statements: 0.25 - 0.50 percent per annum (2013: 0.50 - 0.63 percent per annum)).

7. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<u>Transactions with parent company</u>				
Sales of goods	70	66	70	66
Trademark license fee income	-	2	-	2
Purchases of goods	477	787	301	601
Trademark license fee	-	2	-	2
Management fee	72	70	68	66
Penalty due to failure to buy goods in the amount specified in the agreement	40	26	40	26
Interest expenses	15	18	15	18
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Sales of goods	-	-	58	46
Interest expenses	-	-	9	12
<u>Transactions with related companies</u>				
Sales of goods and raw materials	36	30	2	-
Purchases of goods	30	36	19	19
Technical fee	5	6	5	6
Management fee	17	47	1	28
Interest expenses	22	30	22	30

The balances of accounts as at 31 December 2014 and 2013 between the Company, its subsidiaries and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<u>Bank deposits with related party</u>				
Related financial institution				
(related by common shareholders)	27,225	48,791	19,392	25,415
Total bank deposits with related party	<u>27,225</u>	<u>48,791</u>	<u>19,392</u>	<u>25,415</u>
<u>Trade and other receivables - related parties (Note 8)</u>				
Parent company	34,563	67,758	34,542	67,685
Subsidiary	-	-	7,364	15,505
Related companies (related by common shareholders)	26,206	14,201	-	-
Total trade and other receivables - related parties	<u>60,769</u>	<u>81,959</u>	<u>41,906</u>	<u>83,190</u>
<u>Short-term loans from related party (Note 14)</u>				
Related financial institution (related by common shareholders)	100,000	350,000	100,000	350,000
Total short-term loans from related party	<u>100,000</u>	<u>350,000</u>	<u>100,000</u>	<u>350,000</u>
<u>Trade and other payables - related parties (Note 15)</u>				
Parent company	278,202	237,596	249,909	164,898
Subsidiary	55,086	-	7,199	13,571
Related companies (related by common shareholders)	3,686	82,971	3,686	41,344
Total trade and other payables - related parties	<u>336,974</u>	<u>320,567</u>	<u>260,794</u>	<u>219,813</u>
<u>Long-term loans from related parties</u>				
Parent company	-	300,000	-	300,000
Subsidiary	-	-	58,500	225,000
Related companies (related by common shareholders)	499,236	513,174	499,236	513,174
Total	499,236	813,174	557,736	1,038,174
Less: portion due within one year	(499,236)	(813,174)	(557,736)	(913,174)
Long-term loans from related parties - net of current portion	<u>-</u>	<u>-</u>	<u>-</u>	<u>125,000</u>

Long-term loan from Jalapathan Concrete Co., Ltd. (subsidiary)

The outstanding balances as at 31 December 2013 represented unsecured promissory notes amounting to Baht 225 million. During 2014, the Company repay part of them amounting to Baht 166.5 million and issue the new promissory note dated 25 December 2014 amounting to Baht 58.50 million, maturing on 29 December 2015.

Interest on this loan is payable on a quarterly basis at a rate equal to the average three-month fixed deposit of three local banks plus 2.5 percent per annum.

Long-term loans from related companies

The outstanding balances as at 31 December 2014 consisted of unsecured loans of Euro 2.8 million and Baht 386 million (2013: Euro 2.8 million and Baht 386 million).

The Euro 2.8 million loan was acquired to settle the unpaid technical fee with CTG S.p.A., Italy, a fellow subsidiary. The loan bears interest at the EURIBOR three months rate plus 0.5 percent per annum. Interest is repayable on a quarterly basis while the loan principal matures on 15 December 2011 or as agreed by the parties. Both parties may agree to extend the repayment schedule from the original maturity date.

The second loan of Baht 386 million (2013: Baht 386 million) was acquired to pay for management and technical services from Ciments Francais S.A., France. The loan bears interest at a floating rate following the average three-month fixed deposit rate of three local banks plus 2.5 percent per annum and due on 31 October 2014. During 2014, both parties agree to extend the repayment schedule by due on October 2015.

Long-term loans from Asia Cement Plc. (Parent company)

The outstanding balances as at 31 December 2013 secured by Ciments Francais S.A., France, represented an outstanding loan of Baht 300 million carrying interest at a floating rate equal to the average MLR of three local banks minus 1.0 percent per annum. Interest is repayable on a quarterly basis and the loan was to be repayable within 2014.

During 2014, the loan and interest has been paid in full.

Directors and management's benefits

During the years ended 31 December 2014 and 2013, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	2014	2013	2014	2013
Short-term employee benefits	2.6	2.6	2.6	2.6

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	21,202	32,978	23,133	33,145
Past due				
Up to 3 months	9,862	23,035	-	22,955
3 - 6 months	8,405	150	-	145
6 - 12 months	2,323	-	-	-
Total trade receivables - related parties	<u>41,792</u>	<u>56,163</u>	<u>23,133</u>	<u>56,245</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	452,386	390,536	313,009	253,820
Past due				
Up to 3 months	121,276	149,574	68,619	103,631
3 - 6 months	8,047	6,591	1,441	3,285
6 - 12 months	1,927	1,684	70	186
Over 12 months	7,677	7,755	4,554	4,949
Total	<u>591,313</u>	<u>556,140</u>	<u>387,693</u>	<u>365,871</u>
Less: Allowance for doubtful accounts	<u>(8,553)</u>	<u>(8,678)</u>	<u>(4,763)</u>	<u>(5,173)</u>
Total trade receivables - unrelated parties, net	<u>582,760</u>	<u>547,462</u>	<u>382,930</u>	<u>360,698</u>
Total trade receivables - net	<u>624,552</u>	<u>603,625</u>	<u>406,063</u>	<u>416,943</u>
<u>Other receivables</u>				
Other receivables - related parties	18,977	25,796	18,773	26,945
Other receivables - unrelated parties	20,024	23,767	3,609	3,037
Total other receivables	<u>39,001</u>	<u>49,563</u>	<u>22,382</u>	<u>29,982</u>
Total trade and other receivables - net	<u>663,553</u>	<u>653,188</u>	<u>428,445</u>	<u>446,925</u>

Approximately Baht 6 million of the subsidiary's trade accounts receivables as at 31 December 2014 was factoring with recourse to a bank (2013: Baht 1.7 million). The amount received from factoring has been recorded as a secured liability under the caption of "Trade and other payables" in the statement of financial position.

9. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories-net	
	2014	2013	2014	2013	2014	2013
Finished goods	43,990	45,030	-	-	43,990	45,030
Work in process	30,816	27,003	-	-	30,816	27,003
Clinker	158,540	106,525	(2,000)	(2,000)	156,540	104,525
Raw materials	198,965	248,602	(4,005)	(4,005)	194,960	244,597
Spare parts and supplies	264,864	257,518	(144,982)	(155,451)	119,882	102,067
Total	697,175	684,678	(150,987)	(161,456)	546,188	523,222

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories-net	
	2014	2013	2014	2013	2014	2013
Finished goods	43,990	45,030	-	-	43,990	45,030
Work in process	30,816	27,003	-	-	30,816	27,003
Clinker	158,540	106,525	(2,000)	(2,000)	156,540	104,525
Raw materials	195,335	244,982	(4,005)	(4,005)	191,330	240,977
Spare parts and supplies	264,864	257,518	(144,982)	(155,451)	119,882	102,067
Total	693,545	681,058	(150,987)	(161,456)	542,558	519,602

During the current year, the Company reduced cost of inventories by Baht 20 million (2013: Baht 11 million) to reflect the net realisable value. This was included in cost of sales. In addition, the Company reversed the write-down of cost of inventories by Baht 30 million (2013: Baht 15 million) and reduced the amount of inventories recognised as expenses during the year.

As described in Note 1 to the financial statements, the Company maintain the impairment of spare parts of machines related to clinker production at Takli plant amounting to Baht 34 million (2013: Baht 62 million).

10. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding		(Unit: Thousand Baht)	
			percentage		Cost	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
			(%)	(%)		
Jalaprathan Concrete Co., Ltd.	280,000	280,000	99.99	99.99	279,981	279,981
Naga Property Co., Ltd.	100,000	100,000	100.00	100.00	100,000	100,000
Total					379,981	379,981
Less: Allowance for impairment loss of investments					(93,739)	(93,739)
Investments in subsidiaries - net					<u>286,242</u>	<u>286,242</u>

The Company had no dividend received from its subsidiaries during 2014 and 2013.

11. Investment property

Investment property is land awaiting sale as presented below.

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Net book value at beginning of year	-	-	-	-
Transfer from land account	99,765	-	99,765	-
Disposals - net book value	-	-	(99,765)	-
Net book value at end of year	<u>99,765</u>	<u>-</u>	<u>-</u>	<u>-</u>

As at 31 December 2014, the fair value of land was Baht 153 million, which was appraised by an accredited independent value using the market approach.

12. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements												
	Assets used in the operations						Unused assets but not classified as held for sale						
	Revaluation basis	Cost basis					Revaluation basis	Cost basis					
	Land	Quarries cost	Buildings, leaseholds improvement and structures	Machinery, tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Land	Buildings, leaseholds improvement and structures	Machinery, tools and equipment	Motor vehicles	Construction in progress	Total
Cost/revalued amount:													
As at 1 January 2013	1,250,834	45,620	859,254	3,532,277	25,010	160,957	202,321	138,465	275,469	1,261,535	115,631	76,440	7,943,813
Additions	-	-	-	2,346	35	-	141,510	-	-	-	-	-	143,891
Disposals/write-off	-	-	(1,851)	(4,137)	(5)	(1,921)	-	(38,700)	-	-	(6,500)	-	(53,114)
Transfers between accounts	-	-	11,616	128,662	1,257	9,467	(151,002)	-	-	-	-	-	-
As at 31 December 2013	1,250,834	45,620	869,019	3,659,148	26,297	168,503	192,829	99,765	275,469	1,261,535	109,131	76,440	8,034,590
Additions	-	-	-	1,468	124	73	126,126	-	-	-	-	-	127,791
Disposals/write-off	-	-	(48,087)	(9,906)	(4,878)	(579)	-	-	-	-	-	-	(63,450)
Transfer between accounts	-	-	32,400	103,599	5,601	10,340	(151,940)	-	-	-	-	-	-
Transfer to investment property	-	-	-	-	-	-	-	(99,765)	-	-	-	-	(99,765)
As at 31 December 2014	1,250,834	45,620	853,332	3,754,309	27,144	178,337	167,015	-	275,469	1,261,535	109,131	76,440	7,999,166
Accumulated depreciation:													
As at 1 January 2013	-	6,483	681,916	2,767,060	23,916	151,891	-	-	151,709	643,221	109,291	-	4,535,487
Depreciation for the year	-	-	20,790	130,968	424	2,802	-	-	-	-	-	-	154,984
Depreciation on disposals/write-off	-	-	(1,592)	(3,656)	(5)	(1,920)	-	-	-	-	(6,500)	-	(13,673)
As at 31 December 2013	-	6,483	701,114	2,894,372	24,335	152,773	-	-	151,709	643,221	102,791	-	4,676,798
Depreciation for the year	-	6	21,712	135,176	1,063	4,636	-	-	-	-	-	-	162,593
Depreciation on disposals/write-off	-	-	(47,978)	(9,885)	(4,877)	(579)	-	-	-	-	-	-	(63,319)
Reverse allowance for impairment loss	-	-	22,148	65,348	-	2,149	-	-	-	-	-	-	89,645
As at 31 December 2014	-	6,489	696,986	3,085,011	20,521	158,979	-	-	151,709	643,221	102,791	-	4,865,717

(Unit: Thousand Baht)

Consolidated financial statements (continued)													
Assets used in the operations					Unused assets but not classified as held for sale								
Revaluation basis	Cost basis					Revaluation basis			Cost basis				
	Quarries cost	Buildings, leaseholds improvement and structures	Machinery, tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Land	Buildings, leaseholds improvement and structures	Machinery, tools and equipment	Motor vehicles	Construction in progress	Total	
	Land												
Allowance for impairment loss:													
As at 1 January 2013	5,340	-	22,148	65,348	-	2,149	3,693	-	123,760	618,314	6,340	76,440	923,532
As at 31 December 2013	5,340	-	22,148	65,348	-	2,149	3,693	-	123,760	618,314	6,340	76,440	923,532
Decrease during the year	-	-	-	-	-	-	(3,579)	-	-	-	-	-	(3,579)
Reverse allowance for impairment loss	-	-	(22,148)	(65,348)	-	(2,149)	-	-	-	-	-	-	(89,645)
As at 31 December 2014	5,340	-	-	-	-	-	114	-	123,760	618,314	6,340	76,440	830,308
Net book value:													
As at 31 December 2013	1,245,494	39,137	145,757	699,428	1,962	13,581	189,136	99,765	-	-	-	-	2,434,260
As at 31 December 2014	1,245,494	39,131	156,336	669,298	6,623	19,358	166,901	-	-	-	-	-	2,303,141
Depreciation for the year													
2013 (Baht 155 million included in manufacturing cost and the balance in administrative expenses)													154,984
2014 (Baht 163 million included in manufacturing cost and the balance in administrative expenses)													162,593

(Unit: Thousand Baht)

Separate financial statements													
Assets used in the operations							Unused assets but not classified as held for sale						
Revaluation basis	Cost basis						Revaluation basis	Cost basis					
	Quarries cost	Buildings, leaseholds and structures	Machinery, tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress		Land	Buildings, leaseholds improvement and structures	Machinery, tools and equipment	Motor vehicles	Construction in progress	Total
Cost/revalued amount:													
As at 1 January 2013	1,250,834	45,620	825,058	3,359,479	23,095	158,006	198,137	138,465	275,469	1,261,535	115,631	76,440	7,727,769
Additions	-	-	-	2,346	35	-	131,083	-	-	-	-	-	133,464
Disposals/write-off	-	-	-	(1,177)	-	-	-	(38,700)	-	-	(6,500)	-	(46,377)
Transfer between accounts	-	-	10,600	124,872	854	9,467	(145,793)	-	-	-	-	-	-
As at 31 December 2013	1,250,834	45,620	835,658	3,485,520	23,984	167,473	183,427	99,765	275,469	1,261,535	109,131	76,440	7,814,856
Additions	-	-	-	1,468	124	73	108,531	-	-	-	-	-	110,196
Disposals/write-off	-	-	(48,014)	(6,778)	(4,851)	(368)	-	(99,765)	-	-	-	-	(159,776)
Transfer between accounts	-	-	28,224	97,571	1,580	10,340	(137,715)	-	-	-	-	-	-
As at 31 December 2014	1,250,834	45,620	815,868	3,577,781	20,837	177,518	154,243	-	275,469	1,261,535	109,131	76,440	7,765,276
Accumulated depreciation:													
As at 1 January 2013	-	6,483	655,760	2,613,779	22,105	148,940	-	-	151,709	643,221	109,291	-	4,351,288
Depreciation for the year	-	-	18,020	124,428	383	2,802	-	-	-	-	-	-	145,633
Depreciation on disposals /write-off	-	-	-	(1,177)	-	-	-	-	-	-	(6,500)	-	(7,677)
at 31 December 2013	-	6,483	673,780	2,737,030	22,488	151,742	-	-	151,709	643,221	102,791	-	4,489,244
Depreciation for the year	-	6	18,699	128,260	709	4,637	-	-	-	-	-	-	152,311
Depreciation on disposals /write-off	-	-	(47,905)	(6,776)	(4,851)	(368)	-	-	-	-	-	-	(59,900)
Reverse allowance for impairment loss	-	-	22,148	65,348	-	2,149	-	-	-	-	-	-	89,645
As at 31 December 2014	-	6,489	666,722	2,923,862	18,346	158,160	-	-	151,709	643,221	102,791	-	4,671,300

(Unit: Thousand Baht)

Separate financial statements (continued)

	Assets used in the operations							Unused assets but not classified as held for sale						
	Revaluation basis	Cost basis					Revaluation basis	Cost basis						
		Quarries cost	Buildings, leaseholds improvement and structures	Machinery, tools and equipment	Furniture, fixtures and office equipment	Motor vehicles		Construction in progress	Land	Buildings, leaseholds improvement and structures	Machinery, tools and equipment	Motor vehicles	Construction in progress	Total
Allowance for impairment loss:														
As at 1 January 2013	5,340	-	22,148	65,348	-	2,149	3,693	-	123,760	618,314	6,340	76,440	923,532	
As at 31 December 2013	5,340	-	22,148	65,348	-	2,149	3,693	-	123,760	618,314	6,340	76,440	923,532	
Decrease during the year	-	-	-	-	-	-	(3,579)	-	-	-	-	-	(3,579)	
Reverse allowance for impairment loss	-	-	(22,148)	(65,348)	-	(2,149)	-	-	-	-	-	-	(89,645)	
As at 31 December 2014	5,340	-	-	-	-	-	114	-	123,760	618,314	6,340	76,440	830,308	
Net book value:														
As at 31 December 2013	1,245,494	39,137	139,730	683,142	1,496	13,582	179,734	99,765	-	-	-	-	2,402,080	
As at 31 December 2014	1,245,494	39,131	149,146	653,919	2,491	19,358	154,129	-	-	-	-	-	2,263,668	
Depreciation for the year														
2013 (Baht 145 million included in manufacturing cost and the balance in administrative expenses)														
2014 (Baht 152 million included in manufacturing cost, and the balance in administrative expenses)														

As described in Note 1 to the financial statements, as at 31 December 2014, the Company maintain the impairment of the assets related to clinker production at Takli plant amounted to Baht 823 million (2013: Baht 914 million).

Breakdown of land carried on the revaluation basis is as follows:

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Original cost	59,186	61,533
Surplus from revaluation	1,191,648	1,289,066
Revalued amount	1,250,834	1,350,599
Less: Allowance for impairment loss	(5,340)	(5,340)
Net book value	<u>1,245,494</u>	<u>1,345,259</u>

As at 31 December 2014, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 2,516 million (2013: Baht 2,522 million) (Separate financial statements: Baht 2,413 million (2013: Baht 2,428 million)).

13. Income tax

13.1 Income tax income of the Company and its subsidiaries for the years ended 31 December 2014 and 2013 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current income tax:				
Current income tax charge	13,134	14,954	-	-
Adjustment in respect of income tax of previous year	-	95	-	-
Write-off of non-refundable withholding tax deducted at source/overpaid tax/(overpaid tax received)	1	-	-	-
Total	<u>13,135</u>	<u>15,049</u>	<u>-</u>	<u>-</u>
Deferred tax:				
Relating to origination and reversal of temporary differences	(56,781)	(16,262)	(42,789)	(15,989)
Total	<u>(56,781)</u>	<u>(16,262)</u>	<u>(42,789)</u>	<u>(15,989)</u>
Income tax income reported in the statement of comprehensive income	<u>(43,646)</u>	<u>(1,213)</u>	<u>(42,789)</u>	<u>(15,989)</u>

13.2 The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2014 and 2013 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Deferred tax on actuarial (gains) losses arising from post-employment benefits	1,250	(481)	585	(229)
	<u>1,250</u>	<u>(481)</u>	<u>585</u>	<u>(229)</u>

13.3 The reconciliation between accounting profit and income tax income is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Accounting profit before tax	336,404	162,975	340,704	89,363
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiply by income tax rate	67,281	32,595	68,141	17,872
Deferred taxes assets which were not recognised during the year				
- Tax losses	(63,065)	(10,211)	(63,051)	(10,209)
Utilisation of previously unrecognised deferred tax assets				
- Allowance for diminution in value loss of inventories	(5,723)	(2,463)	(5,723)	(2,463)
- Allowance for impairment loss of assets	(15,182)	(15,297)	(15,182)	(15,297)
Previous year tax losses which were recognised as deferred tax assets during the year	(26,855)	(6,696)	(26,855)	(6,696)
Tax effect of non-deductible expenses	19,381	8,420	19,365	8,460
Tax effect of reversal revaluation surplus on land as a result of transfer to investment property/disposal	(19,484)	(7,656)	(19,484)	(7,656)
Write-off of non-refundable withholding tax deducted at source/overpaid tax/(overpaid tax received)	1	-	-	-
Under recorded of last year income tax	-	95	-	-
Income tax income reported in the statement of comprehensive income	<u>(43,646)</u>	<u>(1,213)</u>	<u>(42,789)</u>	<u>(15,989)</u>

13.4 The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Deferred tax assets				
Allowance for doubtful accounts	8,553	8,678	4,763	5,173
Allowance for diminution in value of inventories	117,413	99,264	117,413	99,264
Allowance for impairment loss of assets	1,983	4,255	1,983	4,255
Provision for quarry restoration costs	3,015	3,062	3,015	3,062
Provision for long-term employee benefits	52,671	42,738	27,200	22,398
Tax losses	134,276	33,482	134,276	33,482
Effect on elimination of intercompany transactions	67,868	-	-	-
	<u>385,779</u>	<u>191,479</u>	<u>288,650</u>	<u>167,634</u>
Application tax rates	20%	20%	20%	20%
Deferred tax assets	<u>77,156</u>	<u>38,296</u>	<u>57,730</u>	<u>33,527</u>
Deferred tax liabilities				
Depreciation from changing useful lives of assets	(8,223)	(6,661)	(8,223)	(6,661)
Surplus from revaluation of land	(1,191,648)	(1,289,066)	(1,191,648)	(1,289,066)
	<u>(1,199,871)</u>	<u>(1,295,727)</u>	<u>(1,199,871)</u>	<u>(1,295,727)</u>
Applicable tax rates	20%	20%	20%	20%
Deferred tax liabilities	<u>(239,974)</u>	<u>(259,145)</u>	<u>(239,974)</u>	<u>(259,145)</u>

13.5 As at 31 December 2014, the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 909 million (2013: Baht 1,477 million) (separate financial statements: Baht 853 million (2013: Baht 1,409 million)). No deferred tax assets have been recognised on these amount as the Company and its subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

14. Short-term loans from financial institution

As at 31 December 2014, the Company has unsecured loan from a local commercial bank, related financial institution, amounting to Baht 100 million (2013: Baht 350 million), bearing interest at a rate of 2.65 percent per annum (2013: 3.26 - 3.45 percent per annum) and from a non related financial institution, amounting to Baht 180 million (2013: nil) bearing interest at a rate of 2.58 percent per annum.

15. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Trade payables - related parties	225,364	173,387	194,698	103,992
Trade payables - unrelated parties	270,317	178,200	203,519	119,336
Other payables - related parties	111,610	147,180	66,096	115,821
Other payables - unrelated parties	127,427	110,838	113,571	100,983
Account payable from factoring	6,019	1,666	-	-
Accrued expenses	49,436	38,954	35,935	28,200
Total trade and other payables	<u>790,173</u>	<u>650,225</u>	<u>613,819</u>	<u>468,332</u>

The account payable from factoring represents the amount received from a bank for factoring with recourse, in accordance with the conditions specified in the factoring agreement. The bank has the right to pursue the subsidiary for payment in the event that it is unable to make full collection of the trade receivable.

16. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents is compensations payable to employees after they retire from the Company, was as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Defined benefits obligation at				
beginning of year	42,738	42,568	22,398	21,889
Current service cost	1,904	1,938	924	937
Interest cost	1,780	1,592	952	817
Benefits paid during the year	-	(956)	-	(102)
Actuarial (gains) losses	6,249	(2,404)	2,926	(1,143)
Provisions for long-term employee				
benefits at end of year	<u>52,671</u>	<u>42,738</u>	<u>27,200</u>	<u>22,398</u>

Long-term employee benefit expenses included in the profit or loss consist of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Current service cost	1,904	1,938	924	937
Interest cost	1,780	1,592	952	817
Total expenses recognised in profit or loss	3,684	3,530	1,876	1,754
Line items in profit or loss under which such expenses are included				
Cost of sales	1,876	1,754	1,876	1,754
Selling and administrative expenses	1,808	1,776	-	-

As at 31 December 2014, cumulative actuarial gains (net of actuarial losses), which were recognised in other comprehensive income, amounted to Baht 5 million (2013: Baht 10 million) (Separate financial statements: Baht 2 million and 2013: Baht 4 million).

Key actuarial assumptions used for the valuation are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
	(% p.a.)	(% p.a.)	(% p.a.)	(% p.a.)
Discount rate	3.0	4.25	3.0	4.25
Future salary increase rate	5.0	5.0	5.0	5.0
Employee turnover rate	2.0	2.0	2.0	2.0

The amounts of defined benefit obligations and experience adjustments for the current year and the past four years are as follows:

Year	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Defined benefits obligation	Experience adjustments	Defined benefits obligation	Experience adjustments
2014	52,671	-	27,200	-
2013	42,738	-	22,398	-
2012	42,568	(9,363)	21,889	(3,704)
2011	50,592	12,438	24,949	4,556
2010	32,958	2,155	17,263	-

17. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

18. Other reserve

The outstanding balance of other reserve is a general reserve of the Company for future special expenditures and represents the allocation of 5 percent of annual net profit and was accumulated until 1994, when the allocation was discontinued.

19. Other components of shareholders' equity

The revaluation surplus on land as included in other components of shareholders' equity can neither be offset against deficit nor used for dividend payment.

20. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Salaries and wages and other employee benefits	138,998	129,265	107,662	101,492
Depreciation	162,595	154,984	152,312	145,633
Allowance for doubtful accounts (reversal)/				
written off bad debts	306	786	(410)	179
Rental expenses from operating lease agreements	15,816	24,932	3,127	2,925
Transportation expenses	92,004	88,491	-	-
Management fee	88,207	117,243	68,573	93,904
Repair and maintenance expenses	154,325	121,724	145,185	121,720
Raw materials used, consumables used and				
purchase of goods	1,526,961	1,388,542	1,060,685	925,693
Changes in inventories of finished goods,				
work in process and clinker	(54,788)	364,742	(54,788)	364,742

21. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

22. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have three reportable segments as follows: (1) Manufacturing of cement (2) Manufacturing of ready-mixed concrete and (3) Office building rental. No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The Company and its subsidiaries are operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

For the years 2014 and 2013, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of an entity's revenues.

The following tables present revenue, profit and total assets information regarding the Company's and its subsidiaries' operating segments for the years ended 31 December 2014 and 2013.

(Unit: Million Baht)

Consolidated financial statements

	Cement segment		Ready-mixed concrete segment		Office building rental segment		Elimination of inter-segment revenues		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenue from external customers	2,393	2,320	799	797	-	-	-	-	3,192	3,117
Inter-segment revenues	58	46	-	-	-	-	(58)	(46)	-	-
Interest income	1	1	9	12	-	-	(9)	(11)	1	2
Other income	96	13	3	2	-	-	(67)	(1)	32	14
Total revenues	2,548	2,380	811	811	-	-	(134)	(58)	3,225	3,133
Cost of sales	1,918	1,954	711	698	-	-	(58)	(46)	2,571	2,606
Selling expenses	-	2	-	-	-	-	-	-	-	2
Administrative expenses	80	122	25	27	-	-	1	-	106	149
Depreciation	152	146	10	9	-	-	-	-	162	155
Allowance for doubtful accounts	-	-	-	1	-	-	-	-	-	1
Total expenses	2,150	2,224	746	735	-	-	(57)	(46)	2,839	2,913
Profit before finance cost and income tax expenses	398	156	65	76	-	-	-	-	386	220
Finance cost	(57)	(67)	(2)	(2)	-	-	9	12	(50)	(57)
Income tax income (expenses)	43	16	(13)	(15)	-	-	14	-	44	1
Non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-
Profit for the year	384	105	50	59	-	-	(54)	-	380	164

(Unit: Million Baht)

Consolidated financial statements

	Cement segment		Ready-mixed concrete segment		Office building rental segment		Elimination of inter-segment revenues		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Investment property	-	-	168	-	-	-	(68)	-	100	-
Property, plant and equipment	2,264	2,402	39	32	-	-	-	-	2,303	2,434
Other assets	1,491	1,386	375	524	6	6	(345)	(540)	1,527	1,376
Total assets	3,755	3,788	582	556	6	6	(413)	(540)	3,930	3,810

23. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the Company and its employees contributed to the fund monthly at the rate of 3 - 10 percent of basic salaries. The fund, which is managed by UOB Asset Management (Thai) Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2014, the Company contributed Baht 5 million (2013: Baht 4 million) to the fund.

24. Commitments and contingent liabilities

24.1 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of land and motor vehicle. The terms of the agreements are generally between 1 and 10 years.

As at 31 December 2014 and 2013, future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Payable:				
In up to 1 year	10	8	2	3
In over 1 and up to 5 year	12	15	2	3
In over 5 years	1	1	-	-

24.2 Long-term service agreements commitments

- a) The Company and its subsidiaries have entered into agreements relation to the concrete transportation, packing cement and other related services. The Company and its subsidiaries are committed to pay service fees calculated from quantities and distance multiplied by the rate specified in the agreements.
- b) The subsidiary has entered into services agreement relation to service of manage batching plants, quality control, marketing and sales. The subsidiary is committed to pay service fees charged at a rate of yearly turnover as specified in the agreement. Such agreement holds for a period of ten years effective from 1 January 2005, and if no notice from party of the contract the agreement will automatically be extended by successive period of one year.
- c) The subsidiary has entered into service agreement relation to computer advisory and training services. The subsidiary is committed to pay service fees at the rate specified in the agreement.

- d) The Company and its subsidiaries have entered into others services agreements, mostly relating to the provision of repair and maintenance of machines and equipment. As at 31 December 2014 and 2013, there were commitments to be payable under those agreements as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Payable:				
In up to 1 year	26	39	26	38
In over 1 and up to 5 year	14	5	14	5

24.3 Purchase of raw material commitment

As at 31 December 2014, the Company has entered into an agreement amounting to Baht 33 million (2013: Baht 16 million) regarding to purchase of raw material in the future. In addition, the Company and its subsidiaries have commitment regarding to purchase of raw material in the future which commitment value will be based on the purchase volume and price specified in the agreement.

24.4 Bank guarantees

The Company and its subsidiaries have outstanding bank guarantees as at 31 December 2014 and 2013 as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Guarantee electricity use	45	45	43	43
Other guarantees	1	1	1	1

25. Financial instruments

25.1 Financial risk management policies

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, investments, trade and other payables and loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries exposed to credit risk primarily with respect to trade and other receivables. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries exposure to interest rate risk relates primarily to its cash at banks and loans. Most of the Company and its subsidiaries' financial assets and liabilities bear no interest or floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities as at 31 December 2014 and 2013 classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)					
Consolidated financial statements					
As at 31 December 2014					
	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
Financial assets					
Cash and cash equivalent	-	190	25	215	0.25 - 0.50
Trade and other receivables	17	-	647	664	2.00 - 3.00
	17	190	672	879	
Financial liabilities					
Short-term loans from financial institution	280	-	-	280	2.58 - 2.65
Trade and other payables	-	-	790	790	-
Long-term loans from related parties	-	499	-	499	0.58 - 3.72
	280	499	790	1,569	

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2013

	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
Financial assets					
Cash and cash equivalent	-	128	14	142	0.50 - 0.63
Trade and other receivables	18	-	635	653	2.00
	18	128	649	795	
Financial liabilities					
Short-term loans from financial institution	350	-	-	350	3.26 - 3.45
Trade and other payables	-	-	650	650	-
Long-term loans from related parties	-	813	-	813	0.72 - 5.96
	350	813	650	1,813	

(Unit: Million Baht)

Separate financial statements

As at 31 December 2014

	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
Financial assets					
Cash and cash equivalent	-	141	19	160	0.25 - 0.50
Trade and other receivables	2	-	426	428	3.00
Investments in subsidiaries	-	-	286	286	-
	2	141	731	874	
Financial liabilities					
Short-term loans from financial institution	280	-	-	280	2.58 - 2.65
Trade and other payables	-	-	614	614	-
Long-term loans from related parties	-	558	-	558	0.58 - 4.12
	280	558	614	1,452	

(Unit: Million Baht)

Separate financial statements					
As at 31 December 2013					
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
Financial assets					
Cash and cash equivalent	-	76	13	89	0.50 - 0.63
Trade and other receivables	-	-	447	447	-
Investments in subsidiaries	-	-	286	286	-
	-	76	746	822	
Financial liabilities					
Short-term loans from financial institution	350	-	-	350	3.26 - 3.45
Trade and other payables	-	-	468	468	-
Long-term loans from related parties	-	1,038	-	1,038	0.72 - 5.96
	350	1,038	468	1,856	

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arises mainly from purchasing transactions and loans that are denominated in foreign currencies.

The balances of financial liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial liabilities as at 31 December		Selling exchange rate as at 31 December	
	<u>2014</u> (Million)	<u>2013</u> (Million)	<u>2014</u> (Baht per 1 foreign currency unit)	<u>2013</u>
Euro	3	3	40.3552	45.3223

25.2 Fair value of financial instruments

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or borrowing bear interest rates close to the market rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable and willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

26. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholders value. As at 31 December 2014, the Group's debt-to-equity ratio was 0.93:1 (2013: 1.29:1) and the Company's was 0.86:1 (2013: 1.32:1).

27. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2015.



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