

ANNUAL REPORT 2014





2014 ANNUAL REPORT VSH UNITED

N.V. Verenigde Surinaamse Holdingmij.-
United Suriname Holding Company
Established in Paramaribo, Suriname
www.vshunited.com

Core Values

**To be a Champion for our
Customers, Partners, Shareholders
and in the Community
we hold fast to these values:**

- **Your success is our desire**
- **Trust in our relationships and personally responsible for all our actions**
- **Creating a better company for a better world**



Contents

Management of the Group	4
Suriname	7
Report of the Supervisory Board of Directors	8-10
Salient Figures	11
Report of the Managing Directors	13-19
Independent Auditor's Report	21
Income Statement for the year ended 31 December 2014	22
Balance Sheet at 31 December 2014 before appropriation of profit	23
Consolidated Income Statement for the year ended 31 December 2014	24
Consolidated Balance Sheet at 31 December 2014 before appropriation of profit	25
Consolidated Statement of Changes in Equity for the year ended 31 December 2014	26
Consolidated Cash Flow Statement for the year ended 31 December 2014	27
Notes to the Consolidated Financial Statements	29-44



Management of the Group

HOLDING

N.V. VERENIGDE SURINAAMSE HOLDINGMIJ.- UNITED SURINAME HOLDING COMPANY

P. Healy, Managing Director, ①
Chief Executive Officer (CEO)
M. Ramsundersingh, Managing Director, ②
Chief Legal Officer (CLO)
P. Brahim, Assistant Managing Director, ③
Chief Financial Officer (CFO)
V. Finck, Head Internal Audit ④

SHIPPING

N.V. VSH SHIPPING

P. Healy, Managing Director
S. Poort, Assistant Managing Director

N.V. VSH TRANSPORT

P. Healy, Managing Director
S. Poort, Assistant Managing Director ⑤

VSH-UNITED (USA) L.L.C.

J. Liong-A-San, Managing Director ⑥

N.V. VSH LOGISTICS

K. Wong Fong Sang, Managing Director ⑦

N.V. VSH LABOUR SERVICES

P. Healy, Managing Director

INDUSTRY

N.V. VSH-STAALMIJ.- UNITED SURINAME STEEL COMPANY

W. Martoredjo, Managing Director ⑧

N.V. VSH FOODS

M. Telting, Managing Director ⑨

N.V. CONSOLIDATED INDUSTRIES CORPORATION

W. van Meegdenburg, Managing Director ⑩
K. Healy, Assistant Managing Director ⑪

INVESTMENT

N.V. VSH INVESTMENT

P. Brahim, Managing Director

TRADING

N.V. VSH TRADING

V. Marshall, Managing Director ⑫

REAL ESTATE

N.V. VSH REAL ESTATE

P. Healy, Managing Director
C. Lie Wah Hing, Assistant Managing Director ⑬



**GOLDEN
BRAND**



YELLOW BIRD



BAKER'S CHOICE





Suriname

Suriname is a country of 163,270 square kilometers situated on the northeast shoulder of South America and home of the VSH Group. While a Babylonian profusion of some seven languages are in everyday use, the official language is Dutch. The population of some 530,300 souls is one of the most polyglot in the world and includes indigenous Indians, African descendents, Hindustanis, Javanese, Chinese, Lebanese, Jews and Europeans. Recent arrivals include Brazilians and so called new Chinese. Almost half of the population is concentrated in and around the capital city Paramaribo.

Suriname has a strong democratic tradition dating back some 145 years. Legislative powers are in the hands of the National Assembly composed of 51 members elected by popular vote for a period of five years. The President is the Head of Government and is elected for five years by a two thirds majority vote in the National Assembly or by a common majority vote in the United Peoples Assembly comprised of national, regional and municipal representatives. The Council of Ministers chaired by the Vice President consists of 17 member ministers and exercises the highest executive and administrative power.

Mining is the backbone of the economy. Bauxite is mined and processed into alumina, an intermediate product for the production of aluminum. Gold is mined in large, medium and small scale operations and provides employment to hinterland communities and migrant workers from Brazil.

Crude oil production and refining contributes significantly to the fuel requirements of industry and electric power generation. Energy requirements are further complemented by a hydroelectric dam located 90 km south of Paramaribo.

Rice, bananas, shrimp, fish and timber comprise the other traditional export products.

Suriname is the proud guardian of one of the largest expanses of pristine tropical rainforests in the world. The Central Suriname Nature Reserve (1.6 million hectares) is the largest of 15 protected areas encompassing 12% of the total land surface of the country.

Since its establishment in 1958 the VSH Group has grown steadily and is well positioned to participate in the further development of this young nation.

Report of the Supervisory Board of Directors

To the Shareholders

We hereby present our report on the activities of the Supervisory Board of Directors in 2014.

The Supervisory Board of Directors performed its duties in accordance with Suriname law, the Company's bylaws and Corporate Governance Code. We advised management on relevant issues and monitored management performance in relation to goals set. Management of the Holding and the subsidiaries regularly informed us, both verbally and in writing, on policy and material aspects of business development, major events, investments and transactions. We also received a detailed monthly report from Management on the current business position of the Group's subsidiaries while we were kept abreast of results and the financial position, risks and risk management, HR issues in a thorough manner. The Supervisory Board of Directors was directly involved in all decisions of fundamental importance to the Group. In addition, we discussed strategic issues with Management on a regular basis.

Consultation and decision making

The Supervisory Board of Directors held regular monthly meetings, 12 in total. The board members regularly attended the board meetings. In addition, resolutions on urgent matters were adopted in writing or by electronic communication and later approved during official meetings. The subjects discussed in the meetings included the financial position and results, Company strategy, Company policy, business plans and appraisals, health, safety and environment, investments, internal audit reports, management development and appointments. In the board meeting held on 11 September 2014 Management presented the appraisals of the subsidiaries over the first half of 2014 and the financial statements over the first half year 2014. In a board meeting held on 20 November 2014 Management presented the operational plans for 2015 and the Board approved capital expenditures for 2015. Management remuneration was evaluated and approved in the board meeting held on 15 December 2014.

Corporate Governance

In the meeting of the Supervisory Board of Directors held on 15 January 2015 the results of the internal audits 2014 were presented and the internal audit plan for 2015 was approved. The results of the annual appraisals of the subsidiaries 2014 were discussed with the Board on 12 February 2015. In the meeting held on 29 April 2015 the Board and the

external auditor discussed the management letter 2014 and the follow up by management of the recommendations noted in the management letter 2013. Special attention was given to inventory and the importance of administrative procedures.

Changes in the bylaws

In the meeting of the Supervisory Board of Directors held on 29 April 2015 the management recommended changes be made in the bylaws to accommodate a change from bearer shares to registered shares. These changes will affect article 5 in the "Shares" section and article 8 in the "Annual General Meeting of Shareholders" section. The Board endorses the recommendations of the management to make these necessary changes in the Annual General Meeting of Shareholders on 21 May 2015.

Supervisory Board of Directors changes and appointments

In accordance with article 7.20 of the bylaws all directors resigned during the Annual General Meeting of Shareholders on 22 May 2014. In this meeting all six members, Mr. R. Khodadin, Mrs. D. Halfhide, Mr. R. Elias, Mr. R. Hahn, Mr. J. Healy Jr. and Mr. A. Kluijver were re-elected as members of the Supervisory Board of Directors.

Being eligible, the members Mr. R. Khodadin, Mrs. D. Halfhide, Mr. R. Elias, Mr. R. Hahn, Mr. J. Healy Jr. and Mr. A. Kluijver offer themselves for re-election in the Annual General Meeting of Shareholders to be held on 21 May 2015.

The Supervisory Board of Directors recommends that the members mentioned be re-elected.

Management changes and appointments

Effective 1 April 2015 Mrs. Karen Wong Fong Sang, Managing Director of N.V. VSH Trading, resigned. To fill the vacancy of Managing Director of N.V. VSH Trading, the Supervisory Board of Directors approved the appointment of Mr. Vincent Marshall, effective 1 April 2015.

The Supervisory Board of Directors approved the appointment effective 1 June 2015 of Mr. Sjoerd Poort as Managing Director of N.V. VSH Shipping to fill the vacancy left by Mr. Patrick Healy who will step down as Managing Director of N.V. VSH Shipping on 1 June 2015.

Effective 1 October 2015 Mr. Wouter van Meegdenburg, Managing Director of N.V. Consolidated Industries Corporation, will resign after having served the company for almost 7 years.

The Supervisory Board of Directors approved the

Report of the Supervisory Board of Directors

appointment of Mr. Vincent Finck as Head Internal Audit of the VSH Group effective 1 January 2015. With this appointment a key position has been filled.

Performance of the Supervisory Board of Directors

In a meeting held on 15 December 2014 the Supervisory Board of Directors evaluated the performance of the Board. Based upon individual appraisals they found the performance collectively as well as individually to be satisfactory. The Board identified key areas of attention including risk assessment, the need for board committees and the long-term Strategic Plan.

Management performance and Executive Performance Pay

On 15 December 2014 the Supervisory Board of Directors evaluated the overall performance of the Managing Directors of the United Suriname Holding Company and found the performance to be good. Specific areas of attention were discussed with the Management including IT management, risk management and a succession policy within the Group.

In the same meeting the Board reviewed the Executive Performance Pay system and recommended adjustments to accommodate two Managing Directors in the Holding Company.

On a consolidated basis the VSH United Group attained a return on Capital Employed of 15.51% (2013: 15.39%) which is above the minimum target of 15.00%. The Managing Directors of the Holding Company were not eligible to receive the short-term bonus. The Supervisory Board of Directors approved a year-end bonus equivalent to three months salary for each of the two Managing Directors. Effective 2015 these Directors will be eligible to receive a short-term bonus under the Executive Performance Pay System.

Performance of the Managing Director of N.V. VSH Foods is measured against a yearly minimum target of 20.00% of Return on Capital Employed and a two year (2014 - 2015) target of 77.40% for growth in gross profit for the period. Based on the profit before tax of 29.37% (2013: 17.34%) Return on Capital Employed in 2014, the Managing Director received a short-term bonus of SRD 33,921.

N.V. VSH Trading attained a Return on Capital Employed of 26.81% (2013: 12.40%) which is above the minimum target of 20.00%. The Managing Director was not eligible to receive the short-term bonus.

The other subsidiaries did not meet their respective minimum target of Return on Capital Employed.

Dividend Policy and Interim Dividend

The policy of the Company is to pay a dividend in the order of 30%-35% of the net profit attributable to the Shareholders of the Company, after deduction of unrealized profit from subsidiaries and the associate company. Subject to unforeseen developments the Supervisory Board of Directors has approved the payment of interim dividend for the year 2015 as follows:

- 1st quarter payable 15 June 2015; SRD 0.15 per share
- 2nd quarter payable 17 August 2015; SRD 0.15 per share
- 3rd quarter payable 16 November 2015; SRD 0.15 per share
- 4th quarter payable 16 February 2016: SRD 0.15 per share

Division of Profit

In compliance with the requirements of article 9.20 of the bylaws, management presented the financial statements 2014 to the Supervisory Board of Directors on 29 April 2015. These financial statements can be found on pages 22 to 44 of this annual report.

The independent external auditor, Lutchman & Co, audited the financial statements. Their independent auditor's report can be found on page 21.

The net profit attributable to shareholders amounts to SRD 20,151,842 (2013: SRD 17,677,725).

We recommend that the Shareholders approve the financial statements as presented.

The Supervisory Board of Directors endorses the recommendation of the Management to pay a cash dividend for the year of SRD 3,277,458. If approved, total dividend will amount to SRD 1.65 per share and the balance of the net profit amounting to SRD 16,874,384 will be added to retained earnings. Four quarterly dividends have been paid for a total of SRD 0.40 per share. The final dividend will thus amount to SRD 1.25 per share. We advise the Shareholders to approve the dividend as recommended.

Remuneration of the Supervisory Board of Directors

The remuneration of the Supervisory Board of Directors amounts to SRD 91,200 per year and was last adjusted on 1 July 2013. The Supervisory Board of Directors endorses the recommendation of the Management to increase the remuneration of the Supervisory Board of Directors to SRD 108,000 per year effective 1 June 2015.

Report of the Supervisory Board of Directors

Appreciation

Our thanks and appreciations go to the members of Management, and all the employees of VSH United, its subsidiaries and the associated company for their contribution in 2014. Their collective hard work and commitment helped the VSH Group to a good performance in a challenging market environment and to make substantial progress towards achieving the goals set out in its Strategy Plan.

Paramaribo, 29 April 2015

The Supervisory Board of Directors,

R. Khodadin, Chairman

D. Halfhide, Vice Chairman

R. Elias

R. Hahn

J. Healy Jr.

A. Kluijver



R. Khodadin



D. Halfhide



R. Elias



R. Hahn



J. Healy jr.



A. Kluijver

Salient Figures

in SRD	2014	2013	2012	2011	2010
Consolidated					
Revenue	68,127,374	64,612,157	57,599,750	57,633,790	48,822,623
Profit from continuing operations	15,568,891	14,401,741	12,878,475	14,278,116	12,164,266
Other income	12,228,766	10,346,252	9,188,424	6,383,606	5,099,149
Net profit to Shareholders	20,151,842	17,677,725	16,431,570	15,416,129	11,431,839
Cash flow	26,436,909	23,568,482	21,898,843	20,221,746	15,510,669
Working capital	40,178,943	39,990,907	38,452,114	38,973,383	35,354,320
Shareholders' equity	166,198,086	145,257,126	125,347,696	107,350,146	87,706,889
Paid-in capital	19,863	19,863	19,863	18,058	18,058
Per share of SRD 0.01					
Cash dividend	1.65	1.50	1.50	1.92	1.26
Intrinsic value	83.67	73.13	69.42	59.45	48.57
Market value	50.50	46.00	37.50	30.00	27.00
USD Rate					
Year average	3.35	3.35	3.35	3.38	3.27
Per end of the year	3.35	3.35	3.35	3.35	3.40





Report of the Managing Directors

Introduction

Since its inception in 1958 as a trading company VSH United has become one of the most diversified groups in Suriname. Its major activities include ship agency, port terminal operations, trading, manufacturing, real estate development and management. Through associated companies VSH United is involved in the insurance and hotel business.

VSH United

Group results for 2014 improved compared to the previous year. Revenue from our ship agency, port terminal operations, real estate and trading all improved, while industry revenue declined due to under par performance at the Steel Company.

In the Annual General Meeting of Shareholders held on 22 May 2014 the financial statements 2013 and a dividend of SRD 2,979,507 or SRD 1.50 per share of nominal SRD 0.01 were approved.

The VSH Corporate Governance Code is an integral part of the Group's Management policy. This code is scheduled to be reviewed in 2016. In line with the long-term corporate strategy to enhance our interest in subsidiaries, our share position in CIC increased in March 2014 to 59.44%.

The business environment

Suriname economic growth continued in 2014 and was driven by the investments in the oil and mining industry. For 2014 GDP growth is estimated at 3.3% (2013: 4.0%) and inflation amounted to 3.9% (2013: 0.6%). The effects of reduced mineral and oil market prices continued to have a negative impact on the Suriname economy in 2014. Reduced government income from the mining sector put pressure on government income and foreign reserves. The exchange rate of the Suriname Dollar (SRD 3.35 per USD 1.00) versus the US Dollar reached SRD 3.80 (per USD 1.00) during the second half of the year. As per second quarter 2015 the USD exchange rate was in SRD 3.45 - SRD 3.50 range.

After finally signing the Mineral Agreement with the Suriname Government the start-up activities of the major Newmont/Surgold gold mining project at Nassau in eastern Suriname came on stream in the third quarter of 2014. This agreement was 10 years in the making and all expectations are that this significant capital investment will be a major contributor to achieving the expected 2.9% growth in 2015.

The State Oil refinery expansion project was completed in December 2014. The unexpected and dramatic drop in oil prices at the end of the year has effected State Oil income and forced the Company to implement an operational cost reduction program. Additionally, the Company placed all non-priority investment projects on hold. Investment projects in maintaining current oil production levels and in off/near-shore exploration drilling projects will be continued.

The bauxite and alumina industry in Suriname developed by Alcoa dates back to 1916. The relationship between Suriname and Alcoa was formalized with a mineral agreement in 1957 and the establishment of the Suriname Aluminum Company N.V. (Suralco). In March 2015 it was announced that Alcoa Inc. will sell Suralco's mining, refining and the Afobaka hydroelectric operations to a Suriname government owned company by 1 July 2015. Suralco's total refining capacity is +/- 2.2 million metric tons per year but has been operating at +/- 1.2 million metric tons per year. This sale is in line with Alcoa worldwide strategy to curtail refining capacity to improve profit amid sluggish prices and a supply glut. Details of the final sale are yet unknown.

A positive development in the agriculture sector is the establishment in 2014 of the new company, FAI - Food and Agriculture Industries N.V. (part of the Univeg/Fruit Farm Group) that bought the banana plantations/production facilities which were being managed by a Suriname government/EU controlled foundation. This sale is part of the process of privatization of government controlled companies and is one step in the direction to diversify the Suriname economic activities. Further, the increase in passenger arrivals by over 20% in the past 5 years and increase in airlift capacity in 2014 does signal a growing interest in the Suriname tourist sector.

Report of the Managing Directors

Financial overview

The Group's net profit from continuing operations amounted to SRD 15,568,891 (2013: SRD 14,401,741). Total revenue amounted to SRD 68,127,374 (2013: SRD 64,612,157) mainly due to higher revenue in the Shipping and Trading activities. Operating expense amounted to SRD 52,558,483 (2013: SRD 50,210,416) due to higher personnel, administrative and depreciation expenses.

Other income includes our share of profit in associate company Assuria and investment income and amounted to SRD 12,228,766 (2013: SRD 10,346,252).

Profit before tax amounted to SRD 27,797,657 (2013: SRD 24,747,993).

Net profit for the year amounted to SRD 22,208,787 (2013: SRD 19,594,830).

Segment performance and reporting

Shipping

The ship agency companies **N.V. VSH Shipping** and **N.V. VSH Logistics** represent liner services from ports in Latin America, the Caribbean, North America, the Far East and Europe. The ship agency companies also provide vessel agency services to various bulk carriers and offshore activities mainly for the local oil industry. VSH Logistics also provides ticketing and cargo sales services to airlines operating to and from Suriname. **VSH-UNITED (USA) L.L.C.** is based in Miami Florida and is a registered NVOCC - non vessel operating common carrier - specialized in cargo movements from Miami, Panama and Hong Kong to Paramaribo. **N.V. VSH Transport** is the port terminal operator offering consolidation, stevedoring, terminal cargo handling, warehousing, project logistic support, customs brokerage and trucking services. **N.V. VSH Labour Services** provides the required specialized personnel to support activities of **N.V. VSH Transport**.

Shipping income was 20.8% higher in comparison to 2013 and amounted to SRD 21,945,204 (2013: SRD 18,170,079). This increase in income is due to increase in break bulk/project cargo shipments (2014: 55,709 metric ton, 2013: 53,419 metric ton) and an increase in container handlings realized (2014: 29,338 teus, 2013: 28,536 teus).

The addition of a weekly container carrier was the contributing factor to container volume growth. Services operated by Seaboard Marine, Eukor Car Carriers, Intermarine, Seatrade, Atlantic Feeder Service (AFS) and Maersk Line (new agency and terminal contract 2014) compliments our one stop shop marketing approach. Total number of vessels handled was 258 (2013: 239). Agency and custom brokerage services as well as increased passenger volume on the two Insel Air associated airlines also contributed to income.

The segment operating result amounted to SRD 7,839,874 (2013: SRD 8,191,919). This is 4.3% lower than 2013 due to higher expenses related to personnel expenses, continued expenses related to software development and terminal expansion.

In 2014 a total of SRD 4.35 million (2013: SRD 2.65 million) was invested in software development, terminal expansion and equipment. Investment in terminal development will continue in 2015 and we can report the purchase of a new harbor mobile crane, which is expected to arrive in Suriname in June 2015. Off/near shore seismic work continued in 2014. Various contracts for off shore and shore based support services have been secured for 2015.

Prospects for further vessel and cargo handling growth in 2015 are largely depended on the ongoing investments in the mining sector and on the off/near shore activities. The shipping segment is well positioned for 2015 revenue growth.

Trading

N.V. VSH Trading is distributor for Canon office equipment and holds an important share of the market for copiers, fax machines, printers and scanners. As distributor for Red Wing and Worx the Company supplies major industries with quality footwear for the workplace. A full line of Personal Protective Equipment (PPE) complements the assortment available to customers.

Report of the Managing Directors

Trading operating income is stated after deduction of cost of goods sold. Operating income amounted to SRD 4,963,153 (2013: SRD 3,701,195). Segment operating result in 2014 was 103.0% higher than 2013 and amounted to SRD 2,215,927 (2013: SRD 1,091,824). This is predominantly due to an increase in PPE sales to the mining and oil industry.

In March 2014 the Company moved into its new showroom, office and warehouse facility at our main office location at van 't Hogerhuysstraat. Product diversification and market expansion are leading drivers for 2015. Establishing a Trading company in Georgetown, Guyana is targeted for the second half 2015.

Food

The Food segment is related to activities of **N.V. VSH Foods** (56.01%), which includes the production and distribution of margarine, butter and shortening. Operating income is stated after deduction of cost of packaging and raw materials. Segment operating income in 2014 was 11.7% higher than 2013 and amounted to SRD 11,255,839 (2013: SRD 10,078,349). Segment operating result in 2014 was 76.0% higher than 2013 and amounted to SRD 3,372,226 (2013: SRD 1,916,956). Sales revenue in 2014 was 9.6% higher than 2013 and amounted to SRD 20,860,790 (2013: SRD 19,031,173).

Overall sales volume in 2014 was 5.4% higher than 2013. Gross margin declined slightly by 1.0% reflecting the effect of higher volume growth in bulk products. Export markets have been re-evaluated in 2014 to improve product positioning and marketing. Export volumes did grow in 2014 by 4.4% compared to 2013. The new and improved export strategy is being implemented in 2015 and will support export volume growth. Improved purchasing procedures and the favorable commodity prices are expected to support improve results in 2015.

Detergents

N.V. Consolidated Industries Corporation (59.44%) manufactures a wide range of industrial and household detergents and plastic packaging material. The Company's products command an important share of the local and regional markets. Operating income is reported after deduction of cost of packaging and raw materials. Segment income declined by 0.8% in 2014 and amounted to SRD 23,142,799 (2013: SRD 23,320,148). Segment operating result amounted to SRD 4,232,711 (2013: SRD 3,930,900). This improvement is mainly due to a release in pension and medical provisions. Total powder detergent production volume increased to 2,563 metric ton (2013: 2,476 metric ton) as a result of higher demand in the export markets. Liquid detergent production volume increased to 4,254 metric ton (2013: 4,195 metric ton). Bleach production increased to 735 metric ton (2013: 522 metric ton).

The strong product line is the strength behind the Company's position in the local and export markets. Further improved operating results are expected in 2015.

Steel

N.V. VSH-Staalrij.-/United Suriname Steel Company produces prefabricated steel structures and supplies the construction industry in Suriname and in the Caribbean. Operating income is reported after deduction of cost of raw materials. Operating income in 2014 was 32.9% lower than 2013 and amounted to SRD 5,190,739 (2013: SRD 7,732,904). Segment operating result amounted to a loss of SRD 394,699 (2013: profit of SRD 1,518,108). As reported in the annual report 2013 the Company had sufficient work in portfolio for the first half of 2014 and that prospects for the second half of 2014 were not promising. Production volume until June 2014 amounted to 503 metric ton and for the full year 2014 the production amounted to 781 metric ton. Production volume decreased due to a down turn in the local construction industry and due to increased competition. The down turn in the local construction industry has continued into the first quarter 2015 and cost cutting measures are being introduced in an attempt to curtail losses in 2015. Additionally a market analysis has resulted in changes in overall pricing policy, marketing strategy and increased focus on export markets. These changes are starting to show results as a number of export jobs have been signed and local projects are supported with engineering services.

Real Estate

N.V. VSH Real Estate owns, develops and manages real estate objects for use by the Group or for rent to external tenants. This segment also includes the historic apartment building at Waterkant owned by N.V. VSH Trading. Real Estate income amounted to SRD 3,291,675 (2013: SRD 2,657,991) and operating result amounted to SRD 955,306 (2013: SRD 660,110) mainly due to improved occupancy. On the design table we have a project to build a modern office building on our last vacant property in Paramaribo at van 't Hogerhuysstraat. A design and feasibility study is being finalized.

Report of the Managing Directors

Associate Company

Assuria N.V. (24.63%) is the largest insurance company in Suriname offering a broad range of life, casualty and health insurance products in Suriname, Guyana, Trinidad and Tobago and other Caribbean territories. Assuria is the largest shareholder in *De Surinaamsche Bank N.V.*, the largest retail bank in Suriname. The Bank Act of 2011 requires Assuria to reduce its shareholding in *De Surinaamsche Bank N.V.* to 20%. *De Surinaamsche Bank* held a share issue in the fourth quarter 2014 in which Assuria did not participate. The result of this share issue was a dilution of Assuria's share position from 49% to 44%. In consultation with the regulator plans are being drawn-up to further decrease the share position. The Company's share in the equity of Assuria amounted to SRD 84,785,427 (2013: SRD 71,203,003). The price for an Assuria share on the last trading session in 2014 at the Suriname Stock Exchange amounted to SRD 105.00 (2013: SRD 95.75). The Company's share in the net profit of Assuria amounted to SRD 11,310,033 (2013: SRD 9,606,104). During the year an amount of SRD 3,389,289 (2013: SRD 2,905,105) was received as cash dividend.

Investments

Investments include the Company's, strategic investment in *N.V. Hotelmaatschappij Torarica*, the subsidiary **N.V. VSH Investment** and other investments in local production companies and financial institutions. Investment income amounted to SRD 918,733 (2013: SRD 740,148). At year end investment assets stood at SRD 16,755,946 (2013: SRD 15,043,458).

Strategic Investment

N.V. Hotelmaatschappij Torarica (12.30%) operates three hotels in prime locations along the Suriname River. The Royal Torarica is a 109 room luxury hotel located next to Torarica a 132 room first class hotel and casino in the entertainment Centre of Paramaribo. Up the road a short walk from Torarica is a fine 122 room hotel called Eco Resort Inn. These hotels provide state of the art accommodation to mainly business visitors and tourists.

Investment Subsidiary

N.V. VSH Investment operates as broker on the Suriname Stock Exchange. The Suriname Stock Exchange meets every other week and 12 companies are listed. The Index increased by 13.7% to 9,582 in 2014 (2013: 8,431).

Proposed dividend

Profit attributable to the Shareholders of the Company amounted to SRD 20,151,842 (2013: SRD 17,677,725). Quarterly interim dividend amounted to SRD 794,535 or SRD 0.40 per share of nominal SRD 0.01 per share. Management proposes a final cash dividend of SRD 2,482,923 or SRD 1.25 per share of nominal SRD 0.01 per share. Total dividend then amounts to SRD 3,277,458. Management further recommends that the remaining profit amounting to SRD 16,874,384 be transferred to retained earnings. Should the proposed dividend be approved, Shareholders' equity will increase from SRD 143,072,154 at the beginning of the year to SRD 163,715,163 at the end of the year.

Share price

At the end of the year the price for shares of the Company at the Suriname Stock Exchange amounted to SRD 50.50 per share (2013: SRD 46.00 per share). Interesting to note is that the VSH Share price in 2015 further Increased and per 16 April 2015 stands at SRD 67.00 per share.

Financial condition

Liquidity and capital resources

The consolidated cash flow statement illustrates that cash and cash equivalents at year end increased to SRD 16,378,761 (2013: SRD 15,975,277). In 2014 operating activities generated SRD 13,636,317 (2013: SRD 15,882,904) in cash and cash equivalents. Investments in financial and fixed assets amounted to SRD 15,751,530 (2013: SRD 17,643,692) and were financed with own means.

Report of the Managing Directors

Assets and capital structure

Equity and debt

The Group's capital structure is as follows:

	2014	2013
	SRD	SRD
Interest-bearing loans and borrowings	4,084,229	3,349,504
Cash and cash equivalents	(16,378,761)	(15,975,277)
Total equity	181,271,208	162,215,623
Total net capital employed	168,976,676	149,589,850

Investments financed by own means amounted to SRD 15,751,530 (2013: SRD 17,643,692).

Personnel and organization

Management consists of 7 Managing Directors; 4 Assistant Managing Directors and 22 specialized staff members. At the end of the year the Group employed 387 persons (2013: 320 persons).

This significant increase is due to the establishment of **N.V. VSH Labour Services**, an employment company created for the specialized terminal/port conditions. We are proud to inform that the remaining traditional Suriname stevedores that worked for many years on the "Nieuwe Haven" port facility for various companies are now administered under this new company and are exclusively employed by N.V. VSH Labour Services for stevedoring activities. This effective stevedoring team is not only employed at the "Nieuwe Haven" port but also at other ports such as Traymore N.V. the port at Moengo.

Taking into consideration the ongoing expansion activities of the shipping segment the decision was taken to step away from the traditional (1) Managing Director's structure for the five companies. Per 1 January 2014 Mrs. Jeanine Liong A San was appointed Managing Director of VSH United (USA) LLC and Ms. Karen Wong Fong Sang was appointed Managing Director N.V. VSH Logistics. We can report that Mr. Sjoerd Poort will be appointed Managing Director of N.V. VSH Shipping effective 1 June 2015. In consultation, Mrs. Karen Wong Fong Sang was willing to also take on the position as Managing Director for N.V. VSH Trading per 1 January 2014. It was agreed that the effectiveness of managing the two companies (N.V. VSH Logistics and N.V. VSH Trading) would be reviewed in a timely manner. In a December 2014 evaluation session it was concluded that the workload did not allow for effective management of the two companies by one person and that a Managing Director would have to be recruited for N.V. VSH Trading. As per 1 April 2015 Mr. Vincent Marshall started as Managing Director at N.V. VSH Trading. Finally we can report that Mr. Wouter van Meegdenburg, Managing Director of CIC, has submitted his letter of resignation on 1 April 2015 with the understanding that he will stay on for a transitional period of six months.

The Company encourages individual development through financial assistance for career development through specialized training. Training during the year included: first aid refreshment courses, financial courses, internal audit courses, negotiation skills courses, facility management, product quality, project management, sales & marketing techniques (NIMA), HSEQ and HR Assistant. Courses for executives in governance, finance and change management.

Bonuses and salary adjustments are based on performance evaluation. Bonuses paid for the year amounted to SRD 3,191,119 (2013: SRD 3,172,142). A medical insurance plan provides medical services to employees and their families. Employees contribute 4% and the management 6% of gross wages to the medical insurance plan.

The VSH Pension Fund is incorporated in a separate legal entity which is governed by a board consisting of four members of whom the Chairman and Secretary are appointed by the Management and two other members elected by the participants. At the end of the year there were 191 active pension fund members, 48 persons with deferred pension, 21 pensioners, 3 widows and 4 orphans receiving pension. Pension liabilities at 31 December 2014 amounted to SRD 21,043,440 (2013: SRD 18,522,743). Total equity of the fund amounted to SRD 36,829,976 (2013: SRD 33,651,728). Pension benefits for 118 CIC employees are insured. Under this plan there are 29 pensioners and 3 persons with disability pension.

Report of the Managing Directors

Personnel Activities

On 6 December 2014, a Christmas dinner was held at the tennis court of Torarica; 432 persons attended including spouses. At the dinner employees celebrating 10, 12½, 15, 20, 30 and 35 years of service were honored.

We honored Ms. F. Venetiaan (37 years of service) and Mr. R. Ramadhin (26 years of service) both of whom retired on 1 January 2015. On 4 October 2014, a Family Day was organized at “Cola Kreek” resort, 746 persons attended including family members.



Community Activities

The VSH Community Fund is incorporated in a separate legal entity which is governed by a board consisting of three VSH Management members. The foundation supports sustainable community projects in education, environment and healthcare. Some projects supported are mentioned below.

The foundation has three permanent projects: the daily bread project for the children's home “Zout der Aarde”, “Villa Zapakara Kinder museum” and the first prize for the Spelling Bee project of the Kiwanis Club.

The foundation donated 5,000 bottles of Tropical Bush Insect Lotion to the “Chikungunya” campaign of the Ministry of Health. The foundation donated for the Suripop XVIII event. A donation was made for the renovation of the sanitary rooms of the Richenel F. Sloote School.

During the year especially during religious holidays and school vacations donations are made to church, educational vacation projects and to community organizations to give comfort to the elderly, and to support the youth and the disadvantaged.

Report of the Managing Directors

Outlook

The projected positive economic growth for 2015 is a continued sign of country Suriname moving in the right direction and is fueled by investments in the oil and mining sector. Expectations are that price levels for mineral exports will not increase significantly in 2015. Subsequently government income is not expected to increase. On the other hand government expenditures will increase as election year (25 May 2015) commitments will have to be materialized, at any cost. Exchange rate concerns will continue to linger and it will be quite a challenge for the newly elected government which is expected to take office in the second half of 2015, to get state finances back in order. The VSH Group is standing strong in the first quarter 2015. Business decisions made in the shipping segment to target the offshore and mining projects is leading the pack. The production company's strategy to increase focus on exports will also support income growth. The Trading Company under new dedicated management supported by an experienced team will bring about the required portfolio and market diversification to allow continued improved sales.

Appreciation

We thank the members of the Supervisory Board of Directors for their valuable advice and support during the year.

The VSH United team has once again proven their mettle by completing a successful year. We thank our customers and suppliers for their loyalty and support.

Paramaribo, 29 April 2015

Mr. Patrick Healy - Managing Director, CEO

Mrs. Malini Ramsundersingh - Managing Director, Chief Legal & HR



P. Healy

M. Ramsundersingh



Independent Auditor's Report

To: The Shareholders of
N.V. Verenigde Surinaamse Holdingmij.-
United Suriname Holding Company
Paramaribo

Report on the financial statements

We have audited the accompanying financial statements 2014 of N.V. Verenigde Surinaamse Holdingmij.- /United Suriname Holding Company, in Paramaribo, which comprise the consolidated and company balance sheet at 31 December 2014, the consolidated and company income statement, the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements, in accordance with generally accepted accounting principles. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the 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 generally accepted auditing standards. This requires that we 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 judgment, 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.

Opinion with respect to the financial statements

In our opinion, the financial statements give a true and fair view of the financial position of N.V. Verenigde Surinaamse Holdingmij.-/United Suriname Holding Company at 31 December 2014 and of its results and its cash flows for the year then ended in accordance with generally accepted accounting principles.

Paramaribo, 29 April 2015
Lutchman & Co, Accountants

Represented and signed by
Drs. M.R.A. Lutchman RA, chartered accountant

Income Statement

for the year ended 31 December 2014

	note	2014	2013
		SRD	SRD
Income from			
Subsidiaries		7,530,982	7,081,913
Share of profit in Associate		11,310,033	9,606,104
Investments		893,789	728,768
Other		651,622	407,719
		20,386,426	17,824,504
Profit			
Profit before tax		20,386,426	17,824,504
Income tax		234,584	146,779
Net profit		20,151,842	17,677,725
Division of Profit			
Interim dividend	7	794,535	794,535
Final dividend	7	2,482,923	2,184,972
Surplus		16,874,384	14,698,218
		20,151,842	17,677,725

The accompanying notes are an integral part of these financial statements

Paramaribo, 29 April 2015
Supervisory Board of Directors
R. Khodadin, Chairman
D. Halfhide, Vice Chairman
R. Elias
R. Hahn
J. Healy Jr.
A. Kluijver

Managing Directors
P. Healy
M. Ramsundersingh

Balance Sheet at 31 December 2014

before appropriation of profit

ASSETS		2014	2013
		SRD	SRD
Non-current assets			
Property, plant and equipment		533,496	244,343
Financial assets		16,056,581	14,325,506
Subsidiary interest		71,138,368	64,052,315
Investment in Associate		84,785,427	71,203,003
Total non-current assets		172,513,872	149,825,167
Current assets			
Subsidiary receivables		1,370,328	802,670
Trade and other receivables		3,584,837	3,344,006
Cash and cash equivalents		9,572,478	10,777,780
Total current assets		14,527,643	14,924,456
Total assets		187,041,515	164,749,623
EQUITY AND LIABILITIES			
Equity			
Issued capital		19,863	19,863
Capital in excess of par value		240,425	240,425
Retained earnings		72,884,354	58,069,654
Result for the year		20,151,842	17,677,725
Revaluation reserves		72,901,602	69,249,459
Total equity		166,198,086	145,257,126
Liabilities			
Non-current liabilities			
Deferred tax		6,237,442	5,614,255
Total non-current liabilities		6,237,442	5,614,255
Current liabilities			
Subsidiary payables		12,840,639	12,344,916
Income tax payable		128,503	87,775
Trade and other payables		1,636,845	1,445,551
Total current liabilities		14,605,987	13,878,242
Total equity and liabilities		187,041,515	164,749,623

The accompanying notes are an integral part of these financial statements

Paramaribo, 29 April 2015
Supervisory Board of Directors
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Consolidated Income Statement

for the year ended 31 December 2014

	note	2014	2013
		SRD	SRD
Revenue			
Trading		5,808,483	3,962,864
Industry		37,164,214	39,844,683
Shipping		20,811,256	17,171,786
Real estate		1,498,608	1,495,074
Other	4	2,844,813	2,137,750
		68,127,374	64,612,157
Costs			
Personnel expenses	4	25,544,279	22,771,422
Administrative expenses		20,117,042	19,436,421
Interest		394,231	514,372
Depreciation and amortization	8	6,285,067	5,890,757
Provisions	4	217,864	1,597,444
		52,558,483	50,210,416
Profit from continuing operations		15,568,891	14,401,741
Other Income			
Share of profit in Associate	10	11,310,033	9,606,104
Investments		918,733	740,148
		12,228,766	10,346,252
Profit			
Profit before tax		27,797,657	24,747,993
Income tax	5	5,588,870	5,153,163
Net profit		22,208,787	19,594,830
Attributable to:			
Non-controlling interests		2,056,945	1,917,105
Equity holders of the Parent Company		20,151,842	17,677,725
Weighted average number of shares	6	1,986,338	1,986,338
Earnings per share	6	10.15	8.90

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Paramaribo, 29 April 2015
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Consolidated Balance Sheet at 31 December 2014

before appropriation of profit

ASSETS	note	2014	2013
Non-current assets		SRD	SRD
Property, plant and equipment	8	57,282,576	55,061,488
Intangible assets	8	809,722	571,776
Financial assets	9	16,755,946	15,043,458
Investment in associate	10	84,785,427	71,203,003
Total non-current assets		159,633,671	141,879,725
Current assets			
Inventories	11	25,007,301	25,070,076
Trade and other receivables	12	28,380,466	26,134,786
Cash and cash equivalents	13	16,378,761	15,975,277
Total current assets		69,766,528	67,180,139
Total assets		229,400,199	209,059,864
EQUITY AND LIABILITIES			
Equity			
Issued capital	14	19,863	19,863
Capital in excess of par value		240,425	240,425
Retained earnings	14	72,884,354	58,069,654
Results for the year		20,151,842	17,677,725
Revaluation reserves	14	72,901,602	69,249,459
Equity attributable to equity holders of the Parent Company		166,198,086	145,257,126
Non-controlling interests		15,073,122	16,958,497
Total equity		181,271,208	162,215,623
Liabilities			
Non-current liabilities			
Long-term borrowings	16	1,924,292	2,583,048
Deferred tax	5	12,156,914	12,021,814
Long-term provisions	17	4,460,200	5,050,147
Total non-current liabilities		18,541,406	19,655,009
Current liabilities			
Trade and other payables	18	25,746,386	25,123,865
Short-term borrowings	16	2,159,937	766,456
Current tax payable	5	800,736	361,563
Short-term provisions	17	880,526	937,348
Total current liabilities		29,587,585	27,189,232
Total equity and liabilities		229,400,199	209,059,864

The accompanying notes are an integral part of these financial statements

Paramaribo, 29 April 2015
Supervisory Board of Directors
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M. Ramsundersingh

Consolidated Statement of Changes in Equity

for the year ended 31 December 2014

in SRD	Share Capital	Capital in excess of par value	Retained earnings	Revaluation reserve	Total	Non-Controlling Interest	Total
Equity at 1 January 2013	19,863	240,425	58,883,429	64,019,007	123,162,724	15,726,756	138,889,480
Profit after tax	-	-	17,677,725	-	17,677,725	1,917,105	19,594,830
Profit distributions	-	-	(794,535)	-	(794,535)	(679,584)	(1,474,119)
Revaluation	-	-	-	5,366,033	5,366,033	(14,225)	5,351,808
Realized revaluation	-	-	135,581	(135,581)	-	-	-
Correction previous year	-	-	(154,821)	-	(154,821)	(3,989)	(158,810)
Unclaimed dividend	-	-	-	-	-	12,434	12,434
Equity at 31 December 2013 before appropriation of profit	19,863	240,425	75,747,379	69,249,459	145,257,126	16,958,497	162,215,623
Appropriation of profit							
Final dividend	-	-	(2,184,972)	-	(2,184,972)	(479,589)	(2,664,561)
Equity at 31 December 2013 after appropriation of profit	19,863	240,425	73,562,407	69,249,459	143,072,154	16,478,908	159,551,062
Profit after tax	-	-	20,151,842	-	20,151,842	2,056,945	22,208,787
Profit distributions	-	-	(794,535)	-	(794,535)	(320,346)	(1,114,881)
Revaluation	-	-	-	3,768,625	3,768,625	(3,133,518)	635,107
Realized revaluation	-	-	116,482	(116,482)	-	-	-
Correction previous years	-	-	-	-	-	(8,867)	(8,867)
Equity at 31 December 2014 before appropriation of profit	19,863	240,425	93,036,196	72,901,602	166,198,086	15,073,122	181,271,208
Appropriation of profit							
Proposed final dividend	-	-	(2,482,923)	-	(2,482,923)	(487,191)	(2,970,114)
Equity at 31 December 2014 after appropriation of profit	19,863	240,425	90,553,273	72,901,602	163,715,163	14,585,931	178,301,094

The accompanying notes are an integral part of these financial statements

Paramaribo, 29 April 2015
Supervisory Board of Directors
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Consolidated Cash Flow Statement

for the year ended 31 December 2014

	2014	2013
	SRD	SRD
Cash flows from operating activities:		
Profit before tax	27,797,657	24,747,993
<i>Adjusted for:</i>		
- Depreciation	6,285,067	5,890,757
- Unrealized share of profit associate	(11,310,033)	(9,606,104)
- Revaluation results	(236,200)	(205,319)
- Investment income	(918,733)	(740,148)
- Interest expense	394,231	514,372
- Provisions	217,864	1,597,444
Cash flow from operations before changes in working capital	22,229,853	22,198,995
<i>Changes in working capital:</i>		
- Change in inventories	62,775	2,251,547
- Change in trade and other receivables	(2,245,680)	1,686,494
- Change in trade and other payables	622,521	(1,214,653)
- Adjustments regarding receivables	-	79,106
- Adjustments regarding provisions	(936,915)	(1,585,560)
Cash generated from operations	19,732,554	23,415,929
Claims paid	(47,567)	(32,293)
Paid interest	(394,231)	(514,372)
Paid income tax	(5,654,439)	(6,986,360)
Net cash from operating activities	13,636,317	15,882,904
Cash flows from investing activities:		
Purchase of property, plant & equipment	(20,095,283)	(16,896,413)
Transfers of property, plant & equipment	10,751,110	6,731,936
Purchase of non-current financial assets	(13,507)	(45,458)
Disposal of property, plant & equipment	600,072	-
Purchase of subsidiary interest	(6,393,850)	(701,820)
Sale of non-current financial assets	3,159	-
Dividends received	4,308,022	3,645,253
Net cash used in investing activities	(10,840,277)	(7,266,502)
Cash flows from financing activities:		
Proceeds and repayments of loans	734,725	(2,710,684)
Payments disposal of waste	(54,187)	-
Payments pension provision	-	(709,363)
Redundancy payments	(93,587)	(49,369)
Dividend declared	(2,979,507)	(2,979,507)
Net cash used in financing activities	(2,392,556)	(6,448,923)
Net increase in cash for the year	403,484	2,167,479
Cash and cash equivalents at 1 January	15,975,277	13,807,798
Cash and cash equivalents at 31 December	16,378,761	15,975,277

The accompanying notes are an integral part of these financial statements

Paramaribo, 29 April 2015
Supervisory Board of Directors
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Notes to the Consolidated Financial Statements

■ 1.) Information on the reporting entity

N.V. Verenigde Surinaamse Holdingmij./United Suriname Holding Company, is a company registered and domiciled in Suriname. The Company's registered office is at van 't Hogerhuysstraat 9-11, Paramaribo, Suriname. The consolidated financial statements of the Company at and for the year ended 31 December 2014 comprise the Company, its subsidiaries and its associate (together referred to as the Group).

These financial statements have been prepared by the Management and were authorized for issue by the Supervisory Board of Directors on 29 April 2014 and will be submitted for approval in the Annual General Meeting of Shareholders on 21 May 2015.

The subsidiaries are:

1. **N.V. VSH Shipping**
2. **N.V. VSH Transport**
3. **N.V. VSH Trading**
4. **N.V. VSH-Staalmij./United Suriname Steel Company**
5. **N.V. VSH Real Estate**
6. **N.V. VSH Investment**
7. **VSH Marketing Company Ltd.**
8. **N.V. VSH Logistics**
9. **N.V. VSH Labour Services**
10. **VSH-UNITED (USA) L.L.C.**
11. **N.V. VSH Foods (56.01%)**
12. **N.V. Consolidated Industries Corporation (CIC) (59.44%)**

The associate is:

1. **Assuria N.V. (24.63%)**

The VSH United Group is involved in: shipping, logistics, transport, port operating, steel fabrication, manufacturing of butter, margarine and shortening, manufacturing of household cleaning products and packaging material, trading, insurance, real estate and investment.

■ 2.) Basis of preparation

2.1) Statement of compliance

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles.

2.2) Basis of Measurement

Specific basis of measurement are: Property and plant are valued at costs adjusted for hyperinflation. Equipment and software are valued at cost. Financial assets are valued at fair value. Other assets and liabilities are stated at fair value using the historical cost method. The methods used to measure fair value are described further in note 2.6.

2.3) Functional and presentation currency

These consolidated financial statements are presented in Suriname Dollars (SRD), which is the Company's functional currency. All financial information presented in SRD has been rounded to the nearest dollar.

2.4) Use of estimates and judgments

The preparation of these consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods if affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the consolidated financial statements are described in note 17.

Notes to the Consolidated Financial Statements

2.5) Application of IFRS standards

Certain provisions from the following IFRS standards were applied to these consolidated financial statements:

- IAS 7: Statement of Cash Flows
- IAS 16: Property, Plant and Equipment
- IAS 17: Leases
- IAS 18: Revenue
- IAS 19: Employee Benefits
- IAS 24: Related Party Disclosures
- IAS 28: Investments in Associates and Joint Ventures
- IAS 29: Financial Reporting in Hyperinflationary Economies
- IAS 33: Earnings per Share

2.6) Accounting policies

The accounting policies adopted are consistent with those of previous financial year.

Subsidiaries

Subsidiaries are those companies over which the Company has control, defined as the power to govern the financial and operating policies so as to obtain benefits from their activities. Subsidiaries are fully consolidated and the financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company. All balances, transactions, income and expenses between Group companies are eliminated. Non controlling interests represent the portion of profit and net assets not held by the Company and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Associate

Within the framework of IAS 28 associates are those companies over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss of the associate after the date of acquisition. The Company's share in the profit or loss of the associate is recognized in the Company's income statement. Dividend received reduces the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the Company's proportional interest in the associate arising from changes in the revaluation of property, plant, equipment and other assets.

As of 2010 Assuria is presented as an associate.

Under IAS 28.6 the Company meets the requirement of significant influence by virtue of:

1. The share position of 24.63% in Assuria.
2. The Company holds two out of six positions on the Assuria Supervisory Board of Directors including the Chair.

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Group at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated to the functional currency at the exchange rate at that date. Exchange differences arising are charged or credited to the income statement.

The exchange rates used for the US Dollar (USD) and the EURO per 31 December are:

in SRD	2014	2013
USD	3.35	3.35
EURO	4.07	4.61

Foreign operations

The assets and liabilities of foreign operations on consolidation are translated to the SRD at the exchange rates at the balance sheet date. The revenues and expenses of foreign operations are translated to the SRD at the exchange rates at the date of the transactions. The Company's shares in foreign operations are valued at the exchange rates at balance sheet date.

Notes to the Consolidated Financial Statements

Property, plant and equipment (PP&E)

Land is carried at cost adjusted for hyperinflation. Land improvements and buildings are carried at cost adjusted for hyperinflation less accumulated depreciation. All other property, plant and equipment are carried at costs less accumulated depreciation. Depreciation is calculated using the straight-line method to write off the costs of individual assets to their residual values over their estimated useful lives as follows:

Buildings	20 - 40 years
Land improvements	5 - 10 years
Machinery and equipment	5 - 10 years
Other assets	3 - 5 years

When a major repair or maintenance is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement, if the recognition criteria are satisfied. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset, and is recognized in the income statement. There are no assets held under financial leases, and assets held under operating leases are not recognized in the balance sheet.

Intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on straight-line basis over their estimated useful lives of the related assets. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the income statement under depreciation and amortization. The current estimated useful life is 3 years.

Financial Assets

Financial assets consist of shares of listed companies that are not subsidiaries or associates. The shares are measured at their fair value, which is the closing price of the last trading session of the stock exchange in December 2014, where the shares are listed.

Inventories

Inventories are stated at cost, less a provision for the reduced marketability of inventories if applicable. Cost is calculated using the last in first out method. Costs comprise direct materials and all costs incurred to bring inventories to their present location and condition net of discounts, rebates and bonuses.

Finished products and work in progress

Finished products and work in progress are valued based on the raw and packaging materials used.

Trade and other receivables

Trade and other receivables are stated at nominal value less an allowance for uncollectible amounts, if there is objective evidence that the Group will not be able to collect the receivable. Trade receivables do not carry interest.

Cash and cash equivalents

Cash and cash equivalents comprise of cash in banks and cash on hand.

Loans

Interest bearing loans are recorded at the fair value of the consideration received net of transaction costs. After the initial recognition interest bearing loans are subsequently measured at amortized cost using the effective interest method.

Provisions

Provisions are recognized for actual (legal or constructive) obligations, existing at balance sheet date and arising from past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation. Some of the Company's subsidiaries provide warranties on products sold. Provisions are made for the estimated costs arising under these warranties upon the date of sale of the relevant products.

Notes to the Consolidated Financial Statements

Trade and other payables

Trade and other payables are stated at nominal value. Trade payables do not carry interest.

Employee benefits

The Group employees participate in a defined benefit pension plan. Some of the pensions are insured while other employees participate in a pension fund foundation which is a separate legal entity.

The Group's contribution is recorded under personnel expenses in the income statement.

The Group, except for CIC, has no obligations for long-term employee benefits. CIC has the obligation to pay medical benefits to pensioners. A provision based on actuarial calculations has been recognized for long-term employee benefit obligations.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term benefits if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Revenue

Revenue from the sale of products in the ordinary course of business is measured at the fair value of the consideration received or receivable, net of turnover and sales taxes, customer discounts and other sales related discounts. Revenue from the sale of products is recognized in the income statement when the amount of revenue can be measured reliably, the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of products can be estimated reliably, and there is no continuing management involvement with the products. Revenue from services rendered is recognized in proportion to the stage of completion of the transaction at the balance sheet date. Revenue from operating leases is recognized on a straight-line basis over the term of the relevant lease.

Other revenue comprises of bank interest received, income from previous years, gain on revaluation of inventories, transfer fees, broker provisions, proceeds from sales of empty drums, proceeds from promo activities, fees for consulting, terminal, agency and other services. Interest income is recognized when received.

Other income

Other income comprises of the Company's share in the profit or loss of the associate and dividend payments received from financial assets.

Expenses

Borrowing costs

All borrowing costs are recognized as an expense when incurred.

Operating lease payments

Payments made under operating leases are recognized in the income statement on a straight-line basis over the term of the lease.

Income tax

Taxes on income are accrued in the same period as the revenues and expenses to which they relate. Current tax receivables and payables for the current and prior periods are measured at the amount expected to be recovered from or paid to the Tax Authorities. The tax rates and the tax laws used are those that are enacted or substantively enacted at balance sheet date. Deferred taxes are recorded, using the balance sheet method, for temporary differences between the carrying amounts of assets and liabilities for commercial purposes and the amounts used for taxation purposes. Deferred tax is measured using the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at balance sheet date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Notes to the Consolidated Financial Statements

Earnings per share

Earnings per share is calculated by dividing the profit or loss attributable to ordinary Shareholders of the Company by the weighted average number of ordinary shares outstanding for the period.

Segment reporting

A segment is a distinguishable component of the Group that is a separate legal entity or a group of separate legal entities, which are subject to risks and rewards that are different from those of other segments.

■ 3.) Segment results

Operating result of the segment is reported before distribution of costs of the Company and income taxes.

The shipping segment comprises shipping activities of the following subsidiaries:

VSH Shipping
VSH Transport
VSH Logistics
VSH Labour Services
VSH USA

The trading segment comprises of trading activities of the following subsidiary:

VSH Trading

The food segment comprises of food production and distribution of the following subsidiary:

VSH Foods

The detergent segment comprises of production and distribution of detergents and packaging material by the following subsidiary:

CIC

The steel segment comprises steel fabrication of the following subsidiary:

United Suriname Steel Company

The real estate segment comprises real estate rental and service income of the following subsidiaries:

VSH Real Estate
VSH Trading

Other income, assets and liabilities not included in the segment reporting are related to the subsidiary

VSH Investment, VSH Marketing, the associate Assuria, the strategic investment Torarica and other shares held in local companies.

Notes to the Consolidated Financial Statements

Segment Reporting

X SRD 1,000	Shipping		Trading		Food		Detergents	
	2014	2013	2014	2013	2014	2013	2014	2013
Income	21,945	18,170	4,963	3,701	11,256	10,078	23,143	23,320
Inter-segment income	-	-	-	-	-	-	-	-
Associate income	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Operating income	21,945	18,170	4,963	3,701	11,256	10,078	23,143	23,320
Segment results	7,840	8,192	2,216	1,092	3,372	1,917	4,233	3,931
Assets	30,908	25,284	9,379	6,430	15,095	13,597	40,873	41,844
Liabilities	13,029	10,161	2,729	644	4,689	4,461	16,851	19,509
Investments	4,350	2,654	263	117	950	936	1,894	2,585
Depreciation	1,060	844	141	119	669	593	2,813	2,959
Employees	126	50	16	16	54	57	118	124

Notes to the Consolidated Financial Statements

	Steel		Real Estate		Other		Elimination		Consolidation	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	5,191	7,733	5,286	4,018	850	534	-	-	72,634	67,554
	-	-	(1,994)	(1,360)	(165)	(111)	(2,348)	(1,471)	(4,507)	(2,942)
	-	-	-	-	11,310	9,606	-	-	11,310	9,606
	-	-	-	-	919	740	-	-	919	740
	5,191	7,733	3,292	2,658	12,914	10,769	(2,348)	(1,471)	80,356	74,958
	(395)	1,518	955	660	9,577	7,438	-	-	27,798	24,748
	10,805	14,751	17,543	17,202	104,797	89,952	-	-	229,400	209,060
	3,211	5,383	1,788	1,816	5,832	4,870	-	-	48,129	46,844
	193	281	1,228	10,159	6,873	912	-	-	15,752	17,644
	619	590	806	593	177	193	-	-	6,285	5,891
	49	49	6	8	18	16	-	-	387	320

Notes to the Consolidated Financial Statements

■ 4.) Other revenue, personnel costs, provisions and pensions

Other revenue

in SRD	2014	2013
Gains on exchange	17,798	121,964
Income from previous years	362,913	345,024
Gain on revaluation of inventories	65,922	88,554
Income from terminal and agency services	1,169,958	736,928
Other	1,228,222	845,280
Total other revenue	2,844,813	2,137,750

Personnel expenses

in SRD	2014	2013
Salaries and wages	17,029,502	14,176,535
Vacation and holiday expenses	1,145,497	1,448,349
Bonuses	3,191,119	3,172,412
Medical	1,829,851	1,783,724
Contribution to pension plan	1,197,092	934,734
Training	343,825	436,463
Other personnel expenses	807,393	819,205
Total personnel expenses	25,544,279	22,771,422

Provisions

in SRD	2014	2013
Uncollectable receivables	669,292	1,386,787
Disposal of waste	-	175,645
Reduced marketability of inventories	-	198,773
Fraud	-	(435,500)
Product warranty and liability	(20,898)	26,660
Deferred maintenance	42,500	42,500
Pension	(502,762)	-
Medical	(42,672)	48,066
Redundancy	72,404	154,513
Total provisions	217,864	1,597,444

Notes to the Consolidated Financial Statements

Pensions

For the employees of the Group, that have joined the pension fund, the Group contributes 12% of the base salary and the employees' own contribution is 5%. The Groups pension expenses in 2014 amounted to SRD 814,180 (2013: SRD 800,908) and are recognized under personnel expenses.

The plan maintained by the foundation is a defined benefit plan, with a maximum benefit of 70% of the following ceilings:

Personnel	SRD 50,000
Staff	SRD 125,000
Management	SRD 200,000

Pension liabilities of the foundation as of 31 December 2014* amounted to SRD 21,043,440 (2013: SRD 18,522,743) and the total equity amounted to SRD 36,829,976 (2013: SRD 33,651,728).

* Unaudited

Employees of CIC that have joined its company's pension plan contribute 6% of the base salary. The balance of the actuarial calculated pension premiums is contributed by CIC. The pension expenses for CIC in 2014 amounted to SRD 382,912 (2013: SRD 133,826) and are recognized under personnel expenses.

■ 5.) Income tax and deferred tax liabilities

Income tax

A tax rate of 36% is used to determine (current) income tax liability.

In 2009 and 2012 the Tax Authorities had corrected several income tax filings for the years 2007 and 2009 which would imply an additional tax payable of SRD 3,5 million. An objection had been filed with the Tax Authorities. In 2014 the Tax Authorities have overturned the corrections.

The income tax obligations for 2014 are specified as follows:

in SRD	2014	2013
Balance at 1 January	361,563	1,251,767
Paid during the year	(5,654,439)	(6,986,360)
Due over the year	5,588,870	5,153,163
Correction previous year	21,861	(23,821)
PP&E replacement reserve	566,911	602,081
Inventory adjustments	(209,007)	228,879
Release revaluation land and buildings *	103,287	114,005
Accelerated depreciation	21,690	21,849
Balance at 31 December**	800,736	361,563

* Included VSH Foods SRD 37,765 (2013: SRD 37,742).

**Excluding eventual statutory interest on the amounts to be paid following a decision of the Tax Authorities on the submitted objections.

Notes to the Consolidated Financial Statements

Deferred tax liabilities

These are tax liabilities arising from the differences between valuation for commercial and for taxation purposes. In 2002, 2003, 2004 and 2005 requests for the application "accelerated depreciation" according to the investment code 2001 were submitted by VSH Foods to the Ministry of Finance for part of the investments made in PP&E from 2002 to 2005. In the financial statements it is assumed that part of the requests will be granted. This assumption is based on the approvals and rejections received from the Ministry of Finance. As a result of the application of the "Iron Inventory" valuation method the inventory has been written down this year based on the actual situation. A tax rate of 36% is used for the determination of this liability.

in SRD	2014	2013
Balance at 1 January	12,021,814	12,443,843
Revaluation of financial assets	617,981	544,785
Inventory adjustments	209,007	(228,879)
Release revaluation land and buildings	(103,287)	(114,005)
PP&E replacement reserve	(566,911)	(602,081)
Release accelerated depreciation	(21,690)	(21,849)
Balance at 31 December	12,156,914	12,021,814

6.) Earnings per share

All shares of the Company are ordinary shares with a par value of SRD 0.01. The calculation of earnings per share at 31 December 2014 was based on the profit attributable to ordinary Shareholders of the Company of SRD 20,151,842 (2013: SRD 17,677,725) and a weighted average number of ordinary shares outstanding during the year ended at 31 December 2014 of 1,986,338 (2013: 1,986,338).

in SRD	2014	2013
Weighted average number of shares	1,986,338	1,986,338
Earnings per share in SRD	10.15	8.90

7.) Dividends paid and proposed

The following dividends were declared and paid by the Company:

in SRD	2014	2013
Fourth quarter interim dividend previous year SRD 0.10 per share (2012: SRD 0.10)	198,633	198,633
Final cash dividend previous year SRD 1.10 per share (2012: SRD 1.10)	2,184,972	2,184,972
First quarter interim dividend SRD 0.10 per share (2013: SRD 0.10)	198,634	198,634
Second quarter interim dividend SRD 0.10 per share (2013: SRD 0.10)	198,634	198,634
Third quarter interim dividend SRD 0.10 per share (2013: SRD 0.10)	198,634	198,634
Declared and proposed	2,979,507	2,979,507

After the balance sheet date:

Declared and proposed by the Company

Fourth quarter interim dividend SRD 0.10 per share 198,633

The Management proposed the following final dividend:

Cash dividend SRD 1.25 per share 2,482,923

The proposed dividend 2013 was adopted by the Annual General Meeting of Shareholders of 22 May 2014.

Notes to the Consolidated Financial Statements

■ 8.) Property, plant equipment and intangible assets

Changes in property, plant and equipment are as follows:

in SRD	Total	Property	Machinery and Equipment	Furniture and Fixture	Investments in progress
Book value at 1 January 2013	51,313,723	30,575,888	14,913,365	4,407,511	1,416,959
Movements 2013:					
Investment	16,275,580	4,328,060	1,948,957	1,114,631	8,883,932
Depreciation	5,795,879	1,232,224	2,788,920	1,774,735	-
Transfers*	(6,731,936)	-	-	-	(6,731,936)
Book value at 31 December 2013	55,061,488	33,671,724	14,073,402	3,747,407	3,568,955
Movements 2014:					
Investment	19,705,439	3,158,578	4,744,893	2,391,588	9,410,380
Depreciation	6,133,169	1,342,258	2,975,017	1,815,894	-
Disposal	(600,072)	(584,997)	-	(15,075)	-
Transfers*	(10,751,110)	-	-	-	(10,751,110)
Book value at 31 December 2014	57,282,576	34,903,047	15,843,278	4,308,026	2,228,225
Consists of:					
Current Value	100,056,827	48,306,311	32,853,456	16,668,835	2,228,225
Accumulated Depreciation	42,774,251	13,403,264	17,010,178	12,360,809	-
Book value at 31 December 2014	57,282,576	34,903,047	15,843,278	4,308,026	2,228,225

* transfers of investments in progress to the respective asset categories.

Changes in intangible assets in 2014 are as follows:

in SRD	Software
Book value at 1 January 2013	45,822
Movements 2013:	
Investment	620,832
Amortization	94,878
Book value at 31 December 2013	571,776
Movements 2014:	
Investment	389,844
Amortization	151,898
Book value at 31 December 2014	809,722
Consists of:	
Current Value	1,056,498
Accumulated Amortizations	246,776
Book value at 31 December 2014	809,722

The property, plant, equipment and intangible assets are insured against fire up to USD 25,503,814 (SRD 85,437,777).

Notes to the Consolidated Financial Statements

9.) Financial assets

Non-current financial assets comprise of shares in other companies. The shares are measured at their fair value, which is the closing price of the last trading session of the stock exchange where the shares are listed in December 2014.

Funds	Number of Shares	Price per share Value in SRD	2014 Value in SRD	2013 Value in SRD
Assuria N.V.*	4,000	105.00	420,000	392,575
N.V. Hotelmaatschappij Torarica	163,020	72.00	11,737,440	11,737,440
Surinaamse Brouwerij N.V.	1,287	2,650.00	3,410,550	1,993,563
De Surinaamsche Bank N.V.	5,576	56.00	312,256	379,168
Self Reliance N.V.	14,065	59.00	829,835	494,130
Hakrinbank N.V.	100	382.00	38,200	39,324
Royal Bank of Scotland	297	20.52	6,094	4,213
Elgawa N.V.	-	-	-	1,515
Total shares			16,754,375	15,041,928
Other			1,571	1,530
Total financial assets			16,755,946	15,043,458

* The Assuria shares are held by VSH Foods and VSH Investment

10.) Investment in associate

Changes in carrying amount of the associate:

in SRD	2014	2013
Balance at 1 January	71,203,003	60,138,489
Company's share of profit	11,310,033	9,606,104
Profit distribution	(3,679,800)	(3,227,895)
Adjustments revaluation reserve	5,952,191	4,686,305
Balance at 31 December	84,785,427	71,203,003

11.) Inventories

in SRD	2014	2013
Raw materials and packaging	11,983,530	11,836,738
Goods for sale	4,982,780	5,117,748
Finished goods	1,144,081	1,014,512
Supplies and spare parts	2,145,996	2,240,693
Goods in transit	4,993,779	5,167,948
Provision for reduced marketability	(242,865)	(307,563)
Total inventories	25,007,301	25,070,076

In 2014 no addition was considered necessary for the provision for reduced marketability of goods (2013: SRD 198,773). The inventories are insured against fire up to USD 5,965,000 (SRD 19,982,750).

Notes to the Consolidated Financial Statements

■ 12.) Trade and other receivables

in SRD	2014	2013
Trade receivables	21,674,905	19,342,162
Advance to personnel	219,969	218,379
Prepayments and deposits	1,303,795	1,634,655
Insurance	57,120	31,477
Work in progress	536,246	491,163
To settle import duty	158,462	8,720
Other receivables	4,429,969	4,408,230
Total trade and other receivables	28,380,466	26,134,786

At 31 December 2014 trade receivables are shown net of an allowance for uncollectible amounts of SRD 1,334,060 (2013: SRD 1,449,627). The impairment loss recognized in the current year was SRD 669,292 (2013: SRD 1,386,787).

■ 13.) Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks and cash on hand.

in SRD	2014	2013
Denominated in SRD	6,824,638	5,208,539
Denominated in US Dollars	7,884,496	9,309,310
Denominated in EURO	1,669,627	1,457,428
Total cash and cash equivalents	16,378,761	15,975,277

The cash and cash equivalents are at free disposal of the Group.

■ 14.) Issued capital, capital in excess of par value, reserves

Changes in carrying amount of the associate:

in SRD	2014	2013
Issued capital at 1 January	19,863	19,863
Issued capital at 31 December	19,863	19,863

At 31 December 2014 the issued share capital comprised of 1,986,338 shares (2013: 1,986,338 shares). The shares have a par value of SRD 0.01. All issued shares are fully paid.

Capital in excess of par value

The capital in excess of par value relates to the difference between the nominal value and the price of shares issued in 2006, 2007 and 2010.

Revaluation reserve

This reserve has arisen from the revaluation of property and financial assets less deferred taxes and yearly realized depreciation from the revaluation of property, plant and equipment. The yearly realized transfer of the revaluation reserve of the property is based on the difference between the commercial depreciation and fiscal depreciation. Also booked to the revaluation reserve are changes in the Company's share in the equity of the associate which are not recognized in the associate's profit and loss.

Retained earnings

In 2014 the interim dividend of SRD 794,535 (2013: SRD 794,535) over the year has been charged to retained earnings.

Notes to the Consolidated Financial Statements

■ 15.) Long-term borrowings

Long-term borrowings comprises of several secured loans for CIC.

in SRD	2014	2013
CIC	1,924,292	2,583,048

Loans CIC comprise of three long-term arrangements with financial institutions:

- In 2006 a loan of USD 275,000 was issued on behalf of CIC. The term of the loan is 10 years. Monthly payments including interest amount to USD 3,410 and the balance per 31 December 2014 amount to USD 12,445 including the short-term (<12 months) portion.
- In 2007 an investment facility of USD 1,050,000 was issued on behalf of CIC. The term of the loan is 7 years. Monthly payments amount to USD 5,850 with a bullet payment at the end of the term. The balance per 31 December 2014 amount to USD 552,826 including the short-term (<12 months) portion.
- In 2011 a loan of USD 520,000 was issued on behalf of CIC. The term of the loan is 5 years. Monthly payments including interest amount to USD 10,544 and the balance per 31 December 2014 amount to USD 205,966 including the short-term (<12 months) portion.

The collateral given to the Institutions for these loans are mortgages on land and buildings at the Saramaccadoorsteek no. 10.

■ 16.) Short-term borrowings

Short-term borrowing comprises of the short-term (< 12 months) portion of the long-term loans and of the following secured bank overdraft facilities:

- On 19 June 2008, VSH Foods obtained an overdraft facility with a maximum of USD 250,000 to finance working capital requirements on an ongoing basis. The balance at year end amounted to USD 108,607 (2013: USD 15,087). The fixed rate is 9% per annum.
- On 6 December 2013, CIC obtained an overdraft facility with a maximum of USD 475,000 to finance working capital requirements on an ongoing basis. The balance at year end amounted to USD 339,328 (2013: USD nil). The fixed rate is 8.25% per annum.
- On 19 December 2006, CIC obtained an overdraft facility with a maximum of SRD 100,000 to finance working capital requirements on an ongoing basis. The fixed rate is 11% per annum. This facility was not used during the year.

The collateral given to the bank for the overdraft facility are:

- Pledge of securities.
- Fiduciary assignment of inventories.
- Fiduciary assignment of machinery and equipment.

■ 17.) Provisions and commitments

Provisions

in SRD	2014	2013
Product warranty, liability and disposal of waste	557,757	680,409
Deferred maintenance	201,875	159,375
Pension	1,185,025	1,687,787
Long-term medical obligation	3,275,175	3,317,847
Redundancy	120,894	142,077
Total provisions	5,340,726	5,987,495
Short-term provisions< 12 months	880,526	937,348
Long-term provisions> 12 months	4,460,200	5,050,147

Notes to the Consolidated Financial Statements

Product warranty, liability and disposal of waste

The warranty provision represents management's best estimate of the liability under warranties granted for its products, based on past experience and industry averages for defective products.

Disposal of waste represents CIC's liability for the disposal of waste due to the fire in 2009.

in SRD	2014	2013
VSH Steel	82,165	115,437
VSH Foods	157,752	148,432
CIC	317,840	416,540
Total product warranty, liability and disposal of waste	557,757	680,409

Deferred maintenance

This provision represents management's estimate of deferred maintenance on property and buildings.

in SRD	2014	2013
VSH Transport	201,875	159,375

Pension

This item represents a provision with regards to the intention of management to increase existing pension benefits.

in SRD	2014	2013
CIC	1,185,025	1,687,787

Long-term medical obligation

CIC has the obligation to pay medical expenses for pensioners for which a provision amounting to SRD 3,275,175 (2013: SRD 3,317,847) is considered necessary.

Redundancy

Redundancy represents a provision for VSH Trading, VSH Transport and United Suriname Steel Company employees no longer active.

Commitments

Operating leases

At balance sheet date the total commitment for future lease payments under non-cancelable operating leases amounts to:

in SRD	2014	2013
Due within one year	3,325,396	3,545,357
Between one and five years	10,731,405	13,695,385
Later the five years	8,041,444	9,973,720
Total operating leases	22,098,245	27,214,462

Non-cancelable operating lease payments represent rentals payable by the Group for use of vehicles, computer hardware and port terminal lease commenced on 1 April 2010 for a period of 15 years.

VSH Community Fund

This non-profit foundation was established on 22 August 2008 to finance and coordinate community projects on behalf of the Group. The fund is financed by contributions of 1.5% of the profit before tax on a final monthly basis from the operating companies. In 2014 a total amount of SRD 289,763 (2013: SRD 262,618) was contributed by the companies.

Notes to the Consolidated Financial Statements

■ 18.) Trade and other payables

in SRD	2014	2013
Trade payables	18,331,758	15,269,177
Other taxes payable	1,426,610	1,339,298
Employee benefits	1,973,197	1,658,633
Received deposit and advanced	1,934,014	3,671,998
Dividend and dividend tax payables	941,078	2,542,268
Other payables	1,139,729	642,491
Total trade and other payables before profit distribution	25,746,386	25,123,865
Proposed dividend	2,970,114	2,664,561
Total trade and other payables after profit distribution	28,716,500	27,788,426

■ 19.) Related party disclosure

Supervisory Board of Directors

The remuneration of the Supervisory Board of Directors is approved by the Shareholders' Meeting. In 2014 the total remuneration amounted to SRD 91,200 (2013: SRD 83,600).

Management

The remuneration of key management personnel of the Group is determined by the Supervisory Board of Directors. The remuneration consists of a fixed monthly salary and a bonus of which a significant part is based on the Executive Performance Scheme.

Based on the Executive Performance Scheme for 2014 a bonus of SRD 33,921 (2013: SRD 48,563) has been approved by the Supervisory Board of Directors. This amount is payable in 2015 and has not been recognized in the balance sheet at 31 December 2014.

Services

Financial and IT services are provided by the Company to VSH Foods, VSH USA and CIC. The amount billed in 2014 amounted to SRD 424,967 (2013: SRD 300,664).

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