GUYANA SUGAR CORPORATION INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017

		COMPANY		GROUP	
	NOTES	**2017 $M**	**2016 $M**	**2017 $M**	**2016 $M**
ASSETS					
Non current assets					
Property, plant and equipment	**5**	29,194	89,049	29,194	89,049
Deferred tax asset	**6**	52,980	28,206	53,078	28,303
Investments	**7.1**	407	272	407	272
Investment in subsidiary	**7.2**	22	22		
Total non current assets		**82,603**	**117,549**	**82,679**	**117,624**
Current assets					
Inventories	**8.1**	962	3,414	962	3,414
Standing cane	**8.2**	3,143	6,961	3,143	6,977
Product stock	**8.3**	1,591	1,643	1,591	1,643
Trade receivables		2,382	2,957	2,404	2,962
Other receivables		3,180	3,119	3,180	3,119
Prepayments		190	151	190	151
Related parties	**14.1**	347	323	-	-
Taxes recoverable		-	-	34	34
Cash on hand and at bank	**9.1**	292	784	326	818
Total current assets		**12,087**	**19,352**	**11,830**	**19,118**
TOTAL ASSETS		**94,690**	**136,902**	**94,509**	**136,742**
EQUITY AND LIABILITIES					
Shareholder's equity					
Stated capital	**10**	10,800	10,800	10,800	10,800
Revaluation reserve	**11.1**	50,849	50,849	50,849	50,849
Other reserves	**11.2**	4,240	293	4,239	293
Accumulated deficit		(88,095)	(40,572)	(88,222)	(40,688)
		(22,207)	21,370	(22,334)	21,254
Non controlling interest	**7.3**	-	-	(76)	(65)
Total equity		**(22,207)**	**21,370**	**(22,410)**	**21,189**
Non current liabilities					
Deferred tax liability	**6**	6,993	15,722	6,998	15,727
Deferred income	**12**	2,287	2,357	2,287	2,357
Borrowings	**13.2**	18,115	19,930	18,115	19,930
Employees retirement benefits	**15**	24,674	32,852	24,674	32,852
Total non-current liabilities		**52,069**	**70,861**	**52,074**	**70,866**
Current liabilities					
Trade payables		7,486	9,662	7,490	9,664
Other payables and accruals		35,633	17,193	35,633	17,193
Related parties	**14.1**	2,004	1,924	2,004	1,924
Taxation		4,025	2,701	4,038	2,714
Borrowings	**13.1**	13,285	12,797	13,285	12,797
Bank overdraft(secured)	**9.2**	2,394	394	2,394	395
Total current liabilities		**64,828**	**44,671**	**64,845**	**44,687**
TOTAL EQUITY AND LIABILITIES		**94,690**	**136,902**	**94,509**	**136,742**
		- 0	- 0	- 0	0

The Board of Directors approved these financial statements for issue on ……………….

Director **Director**

"The accompanying notes form an integral part of these financial statements."

GUYANA SUGAR CORPORATION INC.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

AS AT DECEMBER 31, 2017

	NOTES	COMPANY		GROUP	
		2017	2016	2017	2016
		$M	$M	$M	$M
Revenue	16	14,592	20,183	14,592	20,183
Cost of sales		33,610	27,514	33,619	27,538
Gross profit/(loss)		**(19,018)**	**(7,331)**	**(19,027)**	**(7,355)**
Other income		9,359	11,720	9,359	11,721
Administrative expenses		(9,340)	(1,862)	(9,356)	(1,878)
Other gains and losses		(55,693)	(1,538)	(55,693)	(1,538)
Marketing and distribution expenses		(1,301)	(1,651)	(1,301)	(1,651)
Wales Diversification	16.1	(0)		(0)	
Prior year adjustment to other reserves	11.2			-	
Operating profit/(loss)		**(75,992)**	**(663)**	**(76,017)**	**(701)**
Finance cost		(13,218)	(544)	(13,218)	(565)
Employees retirement benefits	15	8,178	(27)	8,178	(27)
Income from subsidiary and others		4	20	4	21
Loss before tax	17	**(81,028)**	**(1,213)**	**(81,053)**	**(1,272)**
Taxation	18	33,503	2,118	33,503	2,129
Profit/(loss) for the year		**(47,525)**	**904**	**(47,550)**	**857**
Other Comprehensive income:					
Net (loss)/gain on revaluation of investments		134	(64)	134	(64)
Net loss on revaluation of non-current asset		-	-	-	-
Other comprehensive income net of tax		**134**	**(64)**	**134**	**(64)**
Total comprehensive loss for the year		**(47,391)**	**840**	**(47,416)**	**793**
Profit for the year					
Attributable to:-					
Equity holders of the parent		(47,525)	904	(47,539)	875
Non controlling interest		-	-	(11)	(18)
		(47,525)	**904**	**(47,550)**	**857**
Total comprehensive Profit for the year					
Attributable to:					
Equity holders of the parent		(47,391)	840	(47,405)	811
Non controlling interest	7.3	-	-	(11)	(18)
Profit for the year		**(47,391)**	**840**	**(47,416)**	**793**
			-		
Basic loss per share in dollars	24	**(4.40)**	**0.08**	**(4.40)**	**0.08**

"The accompanying notes form an integral part of these financial statements."

GUYANA SUGAR CORPORATION INC.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS AT DECEMBER 31, 2017

Company

	Notes	Stated Capital	Revaluation Reserve	Other Reserves	Retained Earnings	Total Equity
		$M	$M	$M	$M	$M
Balance at January 1, 2016		**10,800**	**50,849**	**357**	**(41,476)**	**20,529**
Other comprehensive income		-	-	(64)	-	**(64)**
						-
Loss for the year		-	-	-	904	**904**
						-
Total comprehensive income for the year		**-**	**-**	**(64)**	**904**	**840**
Balance as at December 31, 2016		**10,800**	**50,849**	**293**	**(40,572)**	**21,370**
Other comprehensive income		**-**	**-**	134		**134**
Prior year adjustment to other reserves				3,812		**3,812**
						-
Loss/Profit for the year		-	-	-	**(47,525)**	**(47,525)**
Total comprehensive income for the year		**-**	**-**	**3,946**	**(47,525)**	**(43,579)**
Balance at December 2017		**10,800**	**50,849**	**4,239**	**(88,096)**	**(22,209)**

Group

	Attributable to equity holders of the parent					
	Stated Capital	Revaluation Reserve	Other Reserves	Retained Earnings	Non Controlling Interest	Total Equity
	$M	$M	$M	$M	$M	$M
Balance at January 1, 2016	**10,800**	**50,849**	**357**	**(41,559)**	**(47)**	**20,400**
Other comprehensive income	-	-	(64)	-	-	**(64)**
Profit/Loss for the year	-	-	-	875	(18)	**857**
Total comprehensive income for the year	-	-	(64)	875	(18)	793
Balance as at December 31, 2016	**10,800**	**50,849**	**293**	**(40,684)**	**(65)**	**21,193**
Other comprehensive income	**-**	**-**	134	**-**	**-**	**134**
Prior year adjustment to other reserves			3,812			**3,812**
					-	**-**
Profit/Loss for the year	**-**	**-**	**-**	(47,539)	**(11)**	**(47,549)**
Total comprehensive income for the year	**-**	**-**	**3,946**	**(47,539)**	**(11)**	**(43,603)**
Balance at December 2017	**10,800**	**50,849**	**4,239**	**(88,223)**	**(76)**	**(22,410)**

"The accompanying notes form an integral part of these financial statements."

GUYANA SUGAR CORPORATION INC.

CONSOLIDATED STATEMENT OF CASHFLOWS

AS AT DECEMBER 31, 2017

	COMPANY		GROUP	
OPERATING ACTIVITIES	**2017 $M**	**2016 $M**	**2017 $M**	**2016 $M**
	(81,028)	(1,213)	(81,053)	(1,272)
Adjustments for:				
Depreciation and write down of assets	4,709	4,757	4,709	4,757
Loss on disposal of property, plant and equipment	55,693	1,525	55,693	1,525
Net interest	13,218	544	13,218	552
Income from subsidiary and others	(4)	(20)	(4)	(21)
Operating profit/(loss) before working capital changes	**(7,412)**	**5,593**	**(7,437)**	**5,541**
Decrease/(increase) in inventories	2,452	67	2,452	67
Decrease/(Increase) in standing cane	3,818	(2,829)	3,834	(2,795)
Decrease/(Increase) in product stocks	52	(364)	52	(364)
Increase/(decrease) in accounts receivable,prepayments	475	865	458	884
Increase/(decrease) in amounts due from related parties	(24)	(25)	-	-
Increase in accounts payable and accruals	16,264	19	16,266	20
Increase/(decrease) in amounts due to related parties	80	130	80	130
Increase in defined benefit pension liability	(8,178)	26	(8,178)	26
Cash generated from operations	**7,528**	**3,482**	**7,528**	**3,509**
Interest paid	(13,218)	(544)	(13,218)	(565)
Taxes paid/adjusted	1,324	-	1,324	(0)
NET CASH PROVIDED BY OPERATING ACTIVITIES	**(4,366)**	**2,939**	**(4,365)**	**2,943**
INVESTING ACTIVITIES				
Interest received	-	-	-	-
Purchase of property, plant and equipment	(574)	(729)	(574)	(729)
Proceeds from sale of property, plant and equipment	- 0	-	(0)	1
Dividends received from investments	4	21	4	21
Dividends paid to minority interest	-	-	-	
NET CASH USED IN INVESTING ACTIVITIES	**(570)**	**(708)**	**(570)**	**(707)**
FINANCING ACTIVITIES				
Proceeds from borrowing	3,812	1,980	3,812	1,980
Loan Repayments	(1,299)	(4,289)	(1,299)	(4,286)
Proceeds from Government Grant	(70)	(61)	(70)	(61)
NET CASH PROVIDED BY FINANCING ACTIVITIES	**2,443**	**(2,370)**	**2,443**	**(2,367)**
Increase/(decrease) in cash and cash equivalents	(2,493)	(140)	(2,493)	(131)
Cash and cash equivalents at beginning of the period	390	530	426	558
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**(2,103)**	**390**	**(2,067)**	**423**
CASH AND CASH EQUIVALENT COMPRISED OF:-				
Cash on hand and at bank	**292**	**784**	**328**	**818**
Bank overdraft(secured)	**(2,394)**	**(394)**	**(2,394)**	**(395)**
	(2,103)	**390**	**(2,067)**	**423**

"The accompanying notes form an integral part of these financial statements."

1. INCORPORATION AND ACTIVITIES

Guyana Sugar Corporation Limited was incorporated on May 21, 1976 and is involved in the cultivation of sugar cane and the manufacture and sale of sugar and molasses. On February 28, 1996 the Corporation was continued under the Companies Act 1991 and its name changed to Guyana Sugar Corporation Inc. The Corporation is wholly owned by the Government of Guyana.

Lochaber Limited's principal activity is the cultivation of sugar cane. Its registered office is at Ogle Estate, East Coast Demerara.

2 NEW AND REVISED STANDARDS

Application of new and revised Standards and Interpretations

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the financial statements for the prior year except for the adoption of new standards and interpretations which became effective during the period.

Revised standards and interpretations which became effective during the period and were adopted did not have any impact on the accounting policies, financial position or performance of the Company.

Standards and Interpretations not yet effective

IFRS 9 was issued in November 2009 and is required to be applied from 1 January 2013. The Company has not opted for early adoption. This standard specifies how an entity should classify and measure its financial assets. It requires all financial assets to be classified in their entirety on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Financial assets are to be initially measured at fair value plus, in the case of a financial asset not at fair value through profit and loss, particular transaction costs. Subsequently, financial assets are to be measured either at amortised cost or fair value. When adopted, IFRS 9 will be applied retrospectively in accordance with IAS 8.

Additionally there are several interpretations and amendments to existing standards which are not yet effective. The Company has not early adopted any such pronouncements. The directors anticipate that the adoption of these standards and interpretations will have no material impact on the financial statements of the Company.

IAS 19 Employees Benefits (amendment) (effective January 1, 2013)

IAS 27 Separate Financial Statements (effective January 1, 2013)

IFRS 9 Financial Instruments (effective January 1, 2013)

IFRS 10 Consolidated Financial Statements (effective January 1, 2013)

IFRS 11 Joint Arrangements (effective January 1, 2013)

2 NEW AND REVISED STANDARDS (Cont'd)

IFRS 12 Disclosure of Interests in Other Entities (effective January 1, 2013)

IFRS 13 Fair Value Measurement (effective January 1, 2013)

IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (effective January 1, 2013)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Accounting convention

The financial statements have been prepared under the historical cost convention as modified for the revaluation of investments and fixed assets and conform with International Financial Reporting Standards and the Companies Act 1991.

3.2 Revenue and expense recognition

Revenue represents the amounts earned from the sale of sugar and molasses during the year. Revenue is recognized in the income statement on an accrual basis when the product is shipped, or for domestic sales, when the product is collected. Expenses are recognized at the fair value of the consideration paid/payable on an accrual basis.

3.3 Property, plant and equipment

Freehold land and buildings are stated at fair values as at January 1, 1999 as determined by professional valuers. Factory, plant and equipment are stated at Directors' valuation as at December 31, 2005. Freehold land and building and factory plant acquired subsequent to these valuation dates and other property, plant and equipment are stated at cost.

All assets with the exception of freehold land and work-in-progress are depreciated on the straight line method at rates sufficient to write off the cost or revaluation of these assets to their residual values over their estimated useful lives as follows:

Freehold buildings - wooden	-	Over 20 years
Freehold buildings - others	-	Over 33 years
Land expansion costs	-	According to tenure
Plant and machinery and equipment	-	From 5 to 17 years
Aircraft	-	Over 5 to 10 years
Motor vehicles	-	Over 4 years

All assets are tested for possible impairment based on income generated and net realizable value. Depreciation is calculated from the month following acquisition until the month of disposal. Capital work in progress is not depreciated until the relevant assets are brought into use.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.4 **Freehold and leasehold land**

In addition to 21,565 acres of land, the Group leases from the Government of Guyana 50,509 hectares of land on which it grows cane and for ancillary purposes.

The tenure of the lease is for fifty (50) years. There is no intent by the Government of Guyana to pass title to the company for any of these lands, therefore, they are all classified as operating leases in accordance with IAS 17.

3.5 **Inventory**

Inventories are valued at the lower of weighted average cost and net realizable value.

Product stocks are valued at the lower of cost of production and estimated realizable value less deductions for Sugar Industry Special Funds contributions and shipping and selling expenses, where applicable. Where markets are identified for sugar and molasses, the net realizable value is used if it is lower than the cost of production. Production costs include all estates' operations and administrative costs.

3.6 **Standing cane**

The value of standing cane is included in the financial statements as a biological asset. Standing cane is measured at fair value less estimated point of sale costs. The fair value of the cane is determined using the average cane farmers' price. This is determined using the weighted aggregate price achieved in the various markets for which sugar is supplied.

3.7 Research and development

Research and development expenditure is charged against revenue in the year in which it is incurred

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.8 Financial instruments

Financial assets and liabilities are recognized on the company's statement of financial position when the company becomes a party to the contractual provisions of the instruments.

Financial instruments carried on the statement of financial position include investment securities, receivables, payables, accruals and cash resources. The recognition method adopted for investment securities is disclosed in the individual policy statements.

Investments

Investments are recognized in the financial statements to comply with International Accounting Standards.

The Company's investments have been classified as "Available-for-sale". "Available-for-sale" investments are initially recognized at cost and adjusted to fair value at subsequent periods. The classification of investments is regularly reviewed for any changes.

Gains or losses on "available-for-sale financial assets" are recognized through the statement of changes in equity until the asset is sold or otherwise disposed, at which time previously recognized gains or losses are transferred to the statement of income for that period.

Trade, other receivables and prepayments

Trade, other receivables and prepayments are measured at amortised cost. Appropriate allowances for estimated unrecoverable amounts are recognized in statement of income when there is objective evidence that the asset is impaired. The allowance recognized is based on management's evaluation of the collectability of the receivables.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand and at bank and fixed deposits maturing three months or less.

Trade, other payables and accruals

Trade, other payables and accruals are measured at amortised cost.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.9 Reserves

(i) Surplus on revaluation of fixed assets (land and buildings) is credited to this account. This reserve is not distributable.

(ii) Other

Fair value adjustments of "available-for-sale" investments are credited to this account. This reserve is not distributable.

3.10 Impairment of tangible assets

At each reporting date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

3.11 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.11 Deferred Tax (cont'd)

Deferred tax assets are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.
The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred taxes are recognised as an expense or income in the consolidated statement of income.

3.12 Employee retirement benefits

The group participates in a contributory multi-employer pension plan, Guyana Sugar and Trading Enterprise Pension Scheme (STEPS), a defined benefit scheme, for its qualifying employees.

The contributions are held in trustee administered funds which are separate from the company's finances.
Employees who have retired and are not members of the pension scheme are paid ex-gratia pensions and are provided with post-retirement medical care, which are partially recoverable from the Sugar Industry Price stabilisation Fund.

The retirement benefit costs are assessed using the Projected Unit Credit method. Under this method, the cost of providing pensions is charged to the statement of income so as to spread the regular costs over the service lives of the employees. This is determined by professional actuaries. Actuarial gains and losses are recognized as income or expenses if the net cumulative unrecognized actuarial gains and losses at the end of the previous reporting period exceed the greater of (a) 10% of the present value of the defined benefit obligation, and (b) 10% of the fair value of the plan assets at that date.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.13 Translation of foreign currency

Transactions in foreign currencies are recorded at the rates of exchange prevailing on the dates of the transactions.

At the end of the financial period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary assets and liabilities carried at the fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in the statement of comprehensive income for the period.

3.14 Presentation currency

The financial statements have been presented in Guyana dollars.

3.15 Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

3.16 Skeldon Sugar Modernisation Project (SSMP)

All expenses including borrowing costs to the modernization project had been charged as work- in- progress. This was capitalized on the commissioning of the factory during 2009.See Note 5.3

3.17 Basis of consolidation

The consolidated financial statements incorporate the financial statements made to December 31 each year of the Parent Company and Lochaber Limited (the subsidiary), a company controlled by the Parent. Control is achieved by virtue of the Company having the power to govern the financial and operating policies of the subsidiary through the Board of Directors. Details of the subsidiary are given in note 7.2 Intra group balances and transactions have been eliminated in preparing the consolidated financial statements

3.18 Basic earnings per share

Basic earnings per share attributable to ordinary equity holders of the parent is calculated by dividing profit or loss attributable to ordinary equity holders of the parent by the weighted number of ordinary shares outstanding during the period.

3.19 Borrowing costs

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds-IAS23- Borrowing costs. Borrowing costs that were directly attributable to the acquisition and construction of qualifying assets were capitalized during the year. Borrowing costs were computed using the effective interest method in accordance with IAS 39-Financial instruments: Recognition and measurement.

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the financial statements:

i) Trade, other receivables and prepayments

On a regular basis, management reviews trade and other receivables to assess impairment. Based on information available as to the likely impairment in cash flows, decisions are taken in determining appropriate provisions to be made for impairment of debts.

ii) **Other financial assets**

In determining the fair value of investments and other financial assets in the absence of a market, the directors estimate the likelihood of impairment by using discounted cash flows.

iii) **Useful lives of property, plant and equipment**

Management reviews the estimated useful lives of property, plant and equipment at the end of each year to determine whether the useful lives of property, plant and equipment should remain the same.

iv) **Impairment of financial assets**

Management makes judgement at each reporting date to determine whether financial assets are impaired. Financial assets are impaired when the carrying value is greater than the recoverable amount and there is objective evidence of impairment. The recoverable amount is the present value of the future cash flows.

v) **Retirement benefit asset/obligation**

The provisions for defined benefit asset/obligation are determined by the actuary based on data provided by management. The computation of the provisions by the actuary assumes that the data provided is not materially misstated.

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5. PROPERTY, PLANT & EQUIPMENT

5.1 COMPANY

Cost/valuation	Intangibles	Land	Buildings others	Freehold Buildings wooden	Land expansion cost	Plant, machinery and equipment	Work in progress	Total
	$M	$M	$M	$M	$M	$M	$M	$M
As at Jan 01, 2017	**0**	**44,460**	**21,052**	**2,318**	**8,544**	**62,219**	**1,289**	**139,884**
Transfers	12	22	55	5	319	928	(1,341)	0
Additions	0	0	0	0	0	0	547	547
Interestate Transfers	0	0	0	0	0	21	(21)	0
Disposals	0	(23,257)	(14,384)	(1,197)	(7,373)	(43,555)	0	(89,766)
Adjustments	0	0	0	0	0	(12)	0	(12)
Reclassifications	177	0	0	0	0	(177)		0
As at December 31, 2017	**189**	**21,225**	**6,724**	**1,126**	**1,490**	**19,424**	**474**	**50,653**
Comprising:								
Cost	189	14,482	3,013	1,126	1,490	16,203	474	36,978
Valuation		6,743	3,711		0	3,221	0	13,675
	189	21,225	6,724	1,126	1,490	19,424	474	50,653
Depreciation								
As at Jan 01, 2017	0	0	6,581	1,125	1,788	41,341	0	50,835
Charge for the period	0		417	65	786	3,441		4,709
Interestate Transfers			0	0		0		0
Prior year adjustment			0		(0)	(12)		(12)
Reinstatements	0	0	0	0	0	0	0	0
Written back on disposals			(4,520)	(619)	(2,041)	(26,894)		(34,074)
As at December 31, 2017	**0**	**0**	**2,478**	**572**	**533**	**17,876**	**0**	**21,459**
Net book value								
As at December 31, 2017	**189**	**21,225**	**4,246**	**555**	**957**	**1,548**	**474**	**29,194**
As at Jan 01, 2017	**0**	**44,460**	**14,471**	**1,193**	**6,756**	**20,878**	**1,289**	**89,049**

5.2 GROUP

Cost or valuation	Intangibles	Land	Buildings others	Buildings wooden	Land expansion cost	Plant, machinery and equipment	Work in progress	Total
	$M	$M	$M	$M	$M	$M	$M	$M
As at Jan 01, 2017	0	44,460	21,052	2,318	8,544	62,219	1,289	139,884
Transfers	12	22	55	5	319	928	(1,341)	0
Additions	0	0	0	0	0	0	547	547
Interestate Transfers	0	0	0	0	0	21	(21)	0
Disposals	0	(23,257)	(14,384)	(1,197)	(7,373)	(43,555)	0	(89,766)
Adjustments	0	0	0	0	0	(12)	0	(12)
Reclassifications	177	0	0	0	0	(177)	0	0
As at December 31, 2017	**189**	**21,225**	**6,724**	**1,126**	**1,490**	**19,424**	**474**	**50,653**
Comprising:								
Cost	189	14,482	3,013	1,126	1,490	16,203	474	36,978
Valuation	0	6,743	3,711	0	0	3,221	0	13,675
	189	**21,225**	**6,724**	**1,126**	**1,490**	**19,424**	**474**	**50,653**
Depreciation								
As at Jan 01, 2017	0	0	6,581	1,125	1,788	41,341	0	50,835
Charge for the period	0	0	417	65	787	3,441	0	4,710
Written back on disposals	0	0	(4,520)	(619)	(2,041)	(26,894)	0	(34,074)
Prior year adjustment	0	0	0	0	0	(12)	0	(12)
Interestate Transfers	0	0	0	0	0	0	0	0
Adjustments	0	0	0	0	0	0	0	0
As at December 31, 2017	**0**	**0**	**2,478**	**572**	**533**	**17,876**	**0**	**21,459**
Net book value								
As at December 31, 2017	**189**	**21,225**	**4,246**	**554**	**957**	**1,548**	**474**	**29,194**
As at Jan 01, 2017	**0**	**44,460**	**14,471**	**1,193**	**6,756**	**20,878**	**1,289**	**89,049**

5. PROPERTY, PLANT & EQUIPMENT (cont'd)

5.3 LEASEHOLD LANDS

Leasehold land represents 72% of land used to derive economic benefits by the Group. Since title is not expected to be passed to the group at the end of the lease, these leases are classified as operating leases. These are subject to several types of lease agreements, the status of which is as follows:

	Hectares
Unexpired leases	21,576
Unexpired Licences	181
Expired leases	1,673
Expired permissions	992
During the President's pleasure licenses	25,680
During the President's pleasure permissions	407
	50,509

The Group has received written confirmation that the Government of Guyana is committed to renewing all leases for lands beneficially occupied by Guyana Sugar Corporation Inc. Lease rentals will be reviewed from time to time by the Commissioner of Lands and Surveys and must be approved by the Government of Guyana.

Lease payment per hectare per annum has been as follows:

	$
Prior to 1985	10.0
From January 01, 1985 to May 31, 1998	18.5
From June 01, 1998	2,471

A valuation prepared by a professional valuer placed a value on these lands of $1,482,600 per hectare at January 01, 1999.

6. DEFERRED TAX

Recognised deferred tax assets/liabilities are attributable to the following items:

	COMPANY		GROUP	
	2017 $M	2016 $M	2017 $M	2016 $M
Deferred tax liability				
Property, plant and equipment	3,760	13,634	3,765	13,639
Standing cane	3,233	2,087	3,233	2,087
	6,993	**15,722**	**6,998**	**15,727**
Deferred tax asset				
Tax value of losses carried forward	(45,578)	(18,349)	(45,658)	(18,428)
Property, plant and equipment			(18)	(18)
Defined benefit pension liability	(7,402)	(9,858)	(7,402)	(9,857)
	(52,980)	**(28,206)**	**(53,078)**	**(28,303)**

Movement in temporary differences

	COMPANY		
	Balance at Jan 01, 2017	Recognised in Income	Balance at Dec 31, 2017
Deferred tax liability			
Property, plant and equipment	13,634	(9,874)	3,760
Standing cane	2,087	1,145	3,233
	15,722	**(8,729)**	**6,993**
Deferred tax asset			
Tax value of losses carried forward	(18,349)	(27,230)	(45,578)
Defined benefit pension liability	(9,857)	2,455	(7,402)
	(28,206)	**(24,775)**	**(52,980)**

Movement in temporary differences

	GROUP		
	Balance at Jan 01, 2017	Recognised in Income	Balance at Dec 31, 2017
Deferred tax liability			
Property, plant and equipment	13,639	(9,874)	3,765
Standing cane	2,087	1,145	3,233
	15,727	**(8,729)**	**6,998**
Deferred tax asset			
Tax value of losses carried forward	(18,428)	(27,230)	(45,658)
Property, plant and equipment	(18)		(18)
Defined benefit pension liability	(9,857)	2,455	(7,402)
	(28,303)	**(24,775)**	**(53,078)**

7. INVESTMENTS

7.1 Investments

	COMPANY		GROUP	
Available for sale:	**2017 $M**	**2016 $M**	**2017 $M**	**2016 $M**
Republic Bank Limited	407	272	407	272
	407	**272**	**407**	**272**

In determining the value of investments, quotations from Guyana Association of Securities Companies and Intermediaries Inc. and Directors valuation for unquoted investments were used.

7.2 INVESTMENT IN SUBSIDIARY

	COMPANY	
	2017 $M	**2016 $M**
Lochaber Limited	22	22

The Corporation holds 36.8% of the share capital of Lochaber Limited. The Corporation exercises dominant influence over the financial and operating policies of Lochaber Limited through the membership of its Board. Investment in the subsidiary is accounted for by using the cost method in the Corporation's own financial statements.

7.3 Non controlling interest

	GROUP	
	2017 $M	**2016 $M**
		-
At January 1	(65)	(47)
Share of loss	(11)	(18)
At December 31	(76)	(65)

8. CURRENT ASSETS

8.1 Inventory categories	COMPANY 2017 $M	COMPANY 2016 $M	GROUP 2017 $M	GROUP 2016 $M
Fuel	85	66	85	66
Spares	901	1,742	901	1,742
Fertilizers and chemicals	421	473	421	473
Other	273	1,851	273	1,851
Gross inventories	**1,680**	**4,132**	**1,680**	**4,132**
Less collectively assessed provision for slow moving and obsolete items	(718)	(718)	(718)	(718)
Net Inventories	**962**	**3,414**	**962**	**3,414**

It is estimated that fuel,fertilizers and chemicals and other inventories will be realised within one year

Spares expected to be recovered more than one year $ 1,200M (2016 - $1,200M).

8.2 Standing Cane

Standing cane is accounted for in accordance with IAS 41. The difference between the opening and closing balance is included in cost of sales

	COMPANY 2017 $M	COMPANY 2016 $M	GROUP 2017 $M	GROUP 2016 $M
Balance as at January 01	6,961	4,132	6,961	4,182
Adjustment to cost of sales	- 3,818	2,829	(3,818)	2,795
Balance as at Dec 31	**3,143**	**6,961**	**3,143**	**6,977**

Standing Cane by Age

Age of Cane	COMPANY 2017 Hectares	COMPANY 2016 Hectares	GROUP 2017 Hectares	GROUP 2016 Hectares	COMPANY 2017 $M	COMPANY 2016 $M	GROUP 2017 $M	GROUP 2016 $M
1-5 Months	10,239	22,599	10,239	22,729	-	-	-	-
6 Months	118	-	118	-	4	-	4	-
7 Months	-	-	-	62	-	-	-	-
8 Months	519	994	519	1,118	69	142	69	142
9 Months	2,347	4,569	2,347	4,626	648	1,357	648	1,373
10 Months	3,882	4,465	3,882	4,465	1,596	1,976	1,596	1,976
11 Months	1,586	2,877	1,586	2,877	746	1,457	746	1,457
12 Months	159	3,746	159	3,746	80	2,030	80	2,030
	18,849	**39,250**	**18,849**	**39,623**	**3,143**	**6,961**	**3,143**	**6,977**
					$	**$**	**$**	**$**
Farmers' price per tonne of sugar					69,020	74,273	69,020	74,273

	Farmers' Prices	COMPANY Tones Sugar (TS) Values	Standing Cane Value (Farmers Price@TS Values)
2017	69,020	45,542	3,143,322,093
2016	74,273	93,728	6,961,425,490
			(3,818,103,397)

The value of standing cane decreased by 54.85% due to decreased cane farmers' prices and tonnes sugar value derived from standing cane.
Only the standing cane for the three remaining sugar estates were valued and a small acre for one non-sugar Estate (Rose hall).

8.3 Product stock categories	COMPANY 2017 $M	COMPANY 2016 $M	GROUP 2017 $M	GROUP 2016 $M
Sugar	1,278	816	1,278	816
Molasses	301	810	301	810
Livestock	12	17	12	17
	1,591	**1,643**	**1,591**	**1,643**

9. CASH AND CASH EQUIVALENTS

9.1 Cash on hand and at bank	COMPANY 2017 $M	COMPANY 2016 $M	GROUP 2017 $M	GROUP 2016 $M
GYD Dollar	289	759	323	793
US Dollar (Current a/c)	3	3	3	3
GBP	-	22	-	22
Euro	-	-	-	-
	292	**784**	**326**	**818**

9. CASH AND CASH EQUIVALENTS (cont'd)

9.2 Bank overdraft (secured)

	COMPANY		GROUP	
	2017	2016	2017	2016
	$M	$M	$M	$M
Guyana Dollar(a)	**2,394**	**395**	**2,394**	**395**
(a) **These comprised of:-**				
(i) Guyana Bank for Trade and Industry Limited	-	-	-	-
(ii) Republic Bank Guyana Limited	2,124	350	2,124	350
(iii) Demerara Bank Limited	270	44	270	44
(iv) Bank of Nova Scotia	-	-	-	-
	2,394	**395**	**2,394**	**395**

Securities held consist of

(i) & (ii)- Over property situated at Plantation Ogle, East Coast Demerara

(iii) & (iv) - Over properties at Plantation Vryheids Lust, Plantation Montrose, Plantation Felicity, Plantation Better Hope & Plantation Brothers all of East Coast Demerara.

- Over properties at Plantation La Bonne Intention and Plantation Chateau Margot both of East Coast Demerara.
- Over properties at Plantation Le Ressouvenir and Plantation Success both of East Coast Demerara.

(b) Interest rates are as follows:-

	GROUP	
	2017	2016
Republic Bank Guyana Limited	8%	8%
Demerara Bank Limited	8.5%	8.5%

10. STATED CAPITAL

The Corporation has an authorised stated capital of 10,800,000,000 shares at a minimum issue price of $1 each and an issued stated capital of 10,799,571,775 ordinary shares. The fully paid ordinary shares have no par value and carry one vote per share and equal rights to dividends.

11. RESERVES

	COMPANY		GROUP	
	2017	2016	2017	2016
11.1 **Revaluation reserve**	$M	$M	$M	$M
Revaluation of fixed assets	**50,849**	**50,849**	**50,849**	**50,849**
	-			

The Corporation revalued its freehold land and buildings and factory plant and machinery as at January 01, 1999. The valuation of the land and buildings was undertaken by an independent valuer. The original valuation as at January 01, 1999 of plant and machinery was used as a basis for value in use calculation from 2001 to date. The valuation is reviewed in light of changes in markets, production levels and exchange rate movements. The value was revised in 2009.

11.2 Other reserves

	COMPANY		GROUP	
	2017	2016	2017	2016
	$M	$M	$M	$M
1. Amounts received by the Corporation from the Sugar Industry Special Funds for rehabilitation work carried out on the Corporation's factories.	25	25	25	25
2. Monies received from the Government of Guyana for the purpose of financing projects in the Corporation's diversification programme.	17	18	17	18
3. The value of the net assets of Guyana Agricultural Products Corporation and Demerara Sugar Company Limited which were acquired by the Government of Guyana and transferred to the Corporation. During 2002 $14M was capitalised as equity.	2	2	2	2
4. Adjustment of investments to reflect fair value	384	249	384	249
5. The conversion of loan received from the Government of Guyana in 2015 to Equity for the Guyana Sugar Corporation In.	3,812	-	3,812	-
	4,240	**293**	**4,240**	**293**

12. DEFERRED INCOME

	COMPANY		GROUP	
	2017 $M	2016 $M	2017 $M	2016 $M
Income from European Union	**2,267**	**2,336**	**2,267**	**2,336**
Income from Government of Guyana	**20**	**20**	**20**	**20**
	2,287	**2,357**	**2,287**	**2,357**

Deferred of income $2,267m represents income from the European Union as part of the Guyana National Action Plan (GNAP) submission for the mitigation against the EU price cuts. Funds received were utilised in the construction of the new packaging plant at Enmore Estate called Enmore Project Gold, which has resulted in the conversion of production into direct consumption sugars for the local and international markets.
Construction works commenced on the US$12M facility in 2009 and was completed and signed in February 2012. Now that the factory is completed, deferred income is being transferred to the Statement of Comprehensive Income on an annual basis over the plant's useful economic life.

Deferred income of $20m was received from the Government of Guyana in March 2016 for capitalisation of the Ethanol Plant at Albion Estate. Deferred Income will be transferred to the Statement of Comprehensive Income on an annual basis over the useful economic life, which is approximately 15 years

13. BORROWINGS

	COMPANY		GROUP	
	2017 $M	2016 $M	2017 $M	2016 $M
13.1 **Current**				
a) Government of Guyana Drainage and Irrigation financed by CDB	390	342	390	342
b) Consortium of local banks	1,158	2,456	1,158	2,456
c) Government of Guyana Debenture	144	144	144	144
d) Government of Guyana SSMP	6,371	5,467	6,371	5,467
e) Government of Guyana SSMP financed by CDB	2,286	1,960	2,286	1,960
f) Government of Guyana SSMP financed by EXIM Bank	2,913	2,428	2,913	2,428
g) Guyana Rice Development (Seed Paddy Project loan)	22	-	22	
Total current loans	**13,285**	**12,797**	**13,285**	**12,797**
13.2 **Non Current**				
a) Government of Guyana Drainage and Irrigation financed by CDB	439	488	439	488
b) Government of Guyana SSMP	9,068	10,022	9,068	10,022
c) Government of Guyana SSMP financed by CDB	3,266	3,593	3,266	3,593
d) Government of Guyana SSMP financed by EXIM Bank	5,341	5,827	5,341	5,827
Total non- current loans	**18,115**	**19,930**	**18,115**	**19,930**
Repayments due in one year and included in current liabilities	13,285	12,797	13,285	12,797
Repayment due within 2-5 years	6,154	4,116	6,154	4,116
Repayment due after five years	11,961	15,814	11,961	15,814
	18,115	**19,930**	**18,115**	**19,930**

a) Government of Guyana Drainage and Irrigation financed by CDB
The loan from the Government of Guyana represents an on-lending of a loan from the Caribbean Development Bank for US$5,050,000 to finance various drainage and irrigation projects. Total funds received amounted to US$5,026,395. Interest is charged at the rate of 3% per annum on the principal and is paid on semi annual basis.

The repayment of the loan was due to commence 5 years after the date of the first disbursement and is to be paid in 34 equal semi - annual installments. The first disbursement was received in July 2002. The maturity date of the loan is June 2024.

b) Government of Guyana SSMP
This is an on - lending facility from the Government of Guyana for US$56M to finance the new Skeldon factory. The full amount was deposited in an Escrow account with ING Bank. Interest is charged at a rate of 6.5% per annum on the principal and is to be paid on a semi-annual basis.

The repayment of the loan was due to commence 5 years after the date of the first disbursement and will be paid in 34 equal installments. A grace period of 3 years was granted in 2010 on the repayments by the Government of Guyana. The first disbursement was received in March 2005. The maturity date of the loan is February 2027.

c) Government of Guyana SSMP financed by CDB
This is an on - lending facility from the Government of Guyana for US$24.8M financed by CDB. This facility is divided into two sections, Ordinary Capital Resources (OCR) for US$ 11.8M and Special Funds Resources (SFR) for $13.0M. These funds were used for the agricultural component of the new Skeldon factory. Drawdowns are made based on submission of contractors' certificates. To date a drawdown of US$24.167M was made.

The repayment of the loan was due to commence 5 years after the date of the first disbursement and will be paid in 34 equal semi - annual installments. A grace period of 3 years was granted in 2010 on the repayments by the Government of Guyana. The first disbursement was received in May 2005. The maturity date of the loan is April 2027. Interest is charged at the rate of 6.5% on the OCR portion and 3% on the SFR portion per annum on the principal amount.

d) Government of Guyana SSMP financed by EXIM Bank
This is an on - lending facility from the Government of Guyana for US$35M financed by the Export and Import Bank of China (EXIM). These funds are to be used for the Co-generation Facility of the new Skeldon factory. Drawdowns are made based on submission of contractors' certificates. To date a drawdown of US$35M was made.

The repayment of the loan wasd ue to commence 5 years after the date of the first disbursement and will be paid in 24 equal installments. A grace period of 3 years has been granted in 2010 on the repayments by the Government of Guyana. The first disbursement was received in March 2005. The maturity date of the loan is February 2022. Interest is charged at a rate of 4.5% per annum.

e) Consortium of local banks
This is a short term line of credit as part of a consortium lending arrangement by participating Licensed Financial Institutions of Guyana totaling G$1,158M.

f) Government of Guyana debenture
This is a convertible Government of Guyana debenture. The Government of Guyana is the major shareholder and issuer of the debenture on which no interest is charged.

g) Guyana Rice Development Board (GRDB) loan
This loan was received from the GRDB in 2017 to assist with the cost attached to the rice farming/ seed paddy project at Wales Estate. The loan will be offset against revenue received from sales of the seed paddy.

14. RELATED PARTIES

14.1 Amounts due to related parties	COMPANY 2017 $M	COMPANY 2016 $M	GROUP 2017 $M	GROUP 2016 $M
Government of Guyana - Lease rentals	498	469	498	469
Sugar Industry Labour Welfare Fund	1,506	1,455	1,506	1,455
	2,004	**1,924**	**2,004**	**1,924**

14.1 Amount due from related party	COMPANY 2017 $M	COMPANY 2016 $M	GROUP 2017 $M	GROUP 2016 $M
Lochaber	**347**	**323**	**-**	**-**

Total rent payable for the lease lands to the Government of Guyana was $497.9M(2016 - $468.6M).

Total levies payable to Sugar Industry Welfare Fund was $1,506M.

14.2 Related parties transactions

14.2.1 Key Management Personnel

The company's key management personnel is comprised of the Chief Executive Officer, Deputy Chief Executive Office, Functional Directors and Estate Managers
The remuneration paid to key management personnel during the year was as follows:

	COMPANY 2017 $M	COMPANY 2016 $M	GROUP 2017 $M	GROUP 2016 $M
Short term employee benefit	**204**	**223**	**204**	**223**

14.2.2 Directors' fees and expenses

	COMPANY				GROUP			
	2017		2016		2017		2016	
	Fees	Expenses	Fees	Expenses	Fees	Expenses	Fees	Expenses
	$000	$000	$000	$000	$000	$000	$000	$000
Directors								
Dr. Clive Thomas	383	-	413	-	383	-	413	-
Mr. George Jervis	394	-	391	-	394	-	391	-
Mr. Earl John	-	-	30	-	-	-	30	-
Mr. Anthony Vieira	-	-	246	-	-	-	246	-
Mr. Fritz Charles Mc lean	284	-	148	-	284	-	148	-
Mr. John Samuel Browman	382	-	135	-	382	-	135	-
Ms. Louise Andress Bouyea	346	-	424	-	346	-	424	-
Mr. Nizamudin Ali	188	-	148	-	188	-	148	-
Mr. Richard Nigel Cumberbatch	394	-	108	-	394	-	108	-
Ms. Sharon Roopchand-Edwards	274	-	135	-	274	-	135	-
Mr. Vishu Panday	274	-		-	274	-	-	-
	2,916	**-**	**2,176**	**-**	**2,916**	**-**	**2,176**	**-**

Directors' fees comprise those amounts paid to or on behalf of directors in respect of services as directors.

15. EMPLOYEES RETIREMENT BENEFITS

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 December 2017 by Becon Woodrow & De Souza. The present valuation of the defined benefit obligation and the related current service cost were measured by the actuaries at 31 December 2017 using the Projected Unit Credit Method.

	2017				2016			
	Retirement Medical	STEPS Scheme	Ex Gratia Scheme	Total	Post Retirement Medical	STEPS Scheme	Ex Gratia Scheme	Total
	$M	$M	$M	$M	$M	$M	$M	$M
15.1 **The amounts recognized in the Statement of Financial Position are as follows:**								
Present value of defined benefit obligation	574.00	13,191.20	22,860.40	36,625.60	574.00	12,898.80	30,643.60	44,116.40
Fair value of assets		(11,950.90)		(11,950.90)		(11,263.70)		(11,263.70)
(Surplus)/Deficit	**574.00**	**1,240.30**	**22,860.40**	**24,674.70**	**574.00**	**1,635.10**	**30,643.60**	**32,852.70**
Effect of Asset Ceiling		-	-			-	-	
Net defined benefit liability/(Asset)	**574.00**	**1,240.30**	**22,860.40**	**24,674.70**	**574.00**	**1,635.10**	**30,643.60**	**32,852.70**
15.2 **Reconciliation of opening and closing defined benefit liability**								
Opening Defined Benefit Liability/(Asset)	573.60	**1,635.10**	**30,643.60**	**32,852.30**	**573.60**	**1,863.10**	**30,388.90**	**32,825.60**
Net Pension Cost		(432.60)	400.10	(32.50)		540.80	2,787.50	3,328.30
Re-measurements		779.80	(7,373.70)	(6,593.90)		(267.20)	(1,740.00)	(2,007.20)
Less company contribution/benefits paid		(742.00)	(809.60)	(1,551.60)		(501.60)	(792.80)	(1,294.40)
Closing defined benefit liability/(Asset)	**573.60**	**1,240.30**	**22,860.40**	**24,674.30**	**573.60**	**1,635.10**	**30,643.60**	**32,852.30**
15.3 **The amounts recognized as staff costs in the Statement Of Income are as follows:**								
Current service cost		426.60	870.80	1,652.30		448.00	987.60	1,652.30
Net Interest on net defined benefit liability/(Asset)		72.20	1,814.70	1,840.40		92.80	1,799.90	1,840.40
Past Service Cost/(Credit)		(931.40)	-	(931.40)		-	-	-
Curtailment		-	(2,285.40)	(2,285.40)		-		-
Net Pension Cost	**-**	**(432.60)**	**400.10**	**275.90**	**-**	**540.80**	**2,787.50**	**3,492.70**
15.4 **Actual return on Plan Assets**								
Expected return on Plan assets		206.40	-	206.40		100.00	-	100.00
Actuarial (Gain)/loss on Plan Assets/ Interest Income		670.20	-	670.20		630.90	-	630.90
Actual return on Plan Assets	**-**	**876.60**	**-**	**876.60**	**-**	**730.90**	**-**	**730.90**

15.5 **Actuarial assumptions**	**2017**	**2016**
(i) Funded Scheme		
Discount rate	6%	6%
Salary increases	6%	6%
Future Pension increases	2%	2%
Rate of return on Pension Plan assets	6.0%	6.5%
(ii) Unfunded Scheme		
Discount rate	6%	6%
Salary increases	6%	6%
Future Pension increases	5%	5%
Rate of return on Pension Plan assets	N/A	N/A

There is no Pension Scheme for the subsidiary company.

	Ex-Gratia Pensioners				Steps Scheme			
	2017	2016	2015	2014	2017	2016	2015	2014
	G$ 000	G$ 000	G$ 000	G$ 000	G$ 000	G$ 000	G$ 000	G$ 000
Experience History								
Defined benefit obligation	22,860	30,644	30,389	30,054	13,191	12,899	12,362	11,945
Fair Value Plan Assets	-	-	-	-	(11,951)	(11,264)	(10,499)	(10,852)
(Surplus)/Deficit	22,860	30,644	30,389	30,054	1,240	1,635	1,863	1,093
Experience Adjustment on Plan Liabilities	(7,374)	(1,740)	(1,839)	(378)	(605)	(167)	(267)	(232)
Experience Adjustment on Plan Assets	-	-	-	-	670	631	638	654
Expected Company Contributions in 2018	**850**				**259**			

Data given to the actuaries included the Corporation's best possible estimations of details where precision was not possible. This was required for them to calculate liabilities according to IAS 19. The actuaries have cautioned that the figures are subject to change after a more complete assessment is carried out on the scheme in 2018

15. EMPLOYEES RETIREMENT BENEFITS (cont'd)

15.6 Asset Allocation

	2017	2016
Equity Securities	18.20%	18.20%
Debt Securities	24.20%	24.20%
Property	7.20%	7.20%
Other	50.40%	50.40%
Total	100.00%	100.00%

The Scheme does not directly hold any assets of Guyana Sugar Corporation Inc

16. REVENUE

	COMPANY		GROUP	
	2017	2016	2017	2016
	$M	$M	$M	$M
Revenue by products				
Sugar	12,311	17,477	12,311	17,477
Molasses	2,281	2,349	2,281	2,349
Co-generation Electricity	-	357	-	357
Total Sales	**14,592**	**20,183**	**14,592**	**20,183**
Revenue by major markets				
Europe	5,711	10,355	5,711	10,355
North America	1,889	1,724	1,889	1,724
Caribbean	3,580	4,587	3,580	4,587
Guyana	3,376	3,444	3,376	3,444
Other Markets	36	73	36	73
	14,592	**20,183**	**14,592**	**20,183**

All expenditures are incurred in Guyana, with the exception of marketing expenses. All assets and liabilities are based in Guyana, with the exception of foreign cash balances and some trade receivables and payables.

	COMPANY		GROUP	
	2017 $M	2016 $M	2017 $M	2016 $M
17. LOSS BEFORE TAXATION	**(81,028)**	**(1,213)**	**(81,053)**	**(1,272)**
After charging -				
Employment Costs				
Wages, salaries & other	19,518	18,711	19,518	18,711
Social security contributions	1,023	1,135	1,023	1,135
Employees retirement benefits	8,178	27	8,178	27
Materials and services purchased	6,378	7,034	6,378	7,034
Research and development expenses	0	157	0	157
Directors' fees & expenses	3	2	3	2
Depreciation	4,709	4,757	4,709	4,757
Auditors' remuneration-audit services	10	10	10	10
Interest expense -	13,218	544	13,218	565
After crediting				
Available for sale income (Republic Bank dividends)	4	20	4	20

18. TAXATION

Reconciliation of corporation tax expense and accounting loss:

	COMPANY 2017 $M	COMPANY 2016 $M	GROUP 2017 $M	GROUP 2016 $M
Accounting loss	(81,028)	(1,213)	(81,053)	(1,272)
Corporation tax @30%	(24,308)	(364)	(24,316)	(381)
Add: Tax effect of expenses not deductible in determining taxable profits				
Depreciation for accounting purposes	1,413	1,427	1,413	1,427
Defined benefit pension cost	2,454	8	2,454	8
	(20,441)	1,071	(20,449)	1,054
Deduct:				
Depreciation for tax purposes	1,413	(1,337)	1,413	(1,337)
Standing Cane	1,145	(848)	1,145	(838)
Tax losses	(15,620)	(1,057)	(15,612)	(1,057)
	(33,503)	(2,171)	(33,503)	(2,179)
Corporation Tax	-	78	-	89
Deferred Tax	(33,503)	(2,196)	(33,503)	(2,218)
	(33,503)	(2,118)	(33,503)	(2,129)
Property Tax - current year	-	-	-	-
- prior year	-	-	-	-
	(33,503)	(2,118)	(33,503)	(2,129)
Taxation - current	-	-	-	-
- prior year	-	78	-	89
- deferred	(33,503)	(2,196)	(33,503)	(2,218)
	(33,503)	(2,118)	(33,503)	(2,129)

No deferred tax liability has been recognised in relation to capital gains taxes which would become payable on factory plant, machinery and equipment should the revaluation surplus be realised upon disposal of the revalued assets. This is because the Corporation does not intend to dispose of these assets other than in the normal course of business.

19. ANALYSIS OF FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT BASIS

COMPANY

	2017			
	Available for sale	Loans and Receivables	Financial Assets and Liabilities at Amortised cost	Total
ASSETS	$M	$M	$M	$M
Investments	407	-	-	407
Trade receivables	-	2,382	-	2,382
Other receivables and prepayments	-	3,370	-	3,370
Cash on hand and at bank	-	-	292	292
Total assets	407	5,752	292	6,450
LIABILITIES				
Employees retirement benefit	-	-	24,674	24,674
Trade payables	-	-	7,486	7,486
Other payables	-	-	35,633	35,633
Related parties	-	-	2,004	2,004
Borrowings	-	-	31,400	31,400
Taxation	-	-	4,025	4,025
Bank overdraft(secured)	-	-	2,394	2,394
Total liabilities	-	-	107,616	107,616

	2016			
	Available for sale	Loans and Receivables	Financial Assets and Liabilities at Amortised cost	Total
ASSETS	$M	$M	$M	$M
Investments	272	-	-	272
Trade receivables	-	2,957	-	2,957
Other receivables and prepayments	-	3,270	-	3,270
Cash on hand and at bank	-	-	784	784
Total assets	272	6,227	784	7,283
LIABILITIES				
Employees retirement benefit	-	-	32,852	32,852
Trade payables	-	-	9,662	9,662
Other payables	-	-	17,193	17,193
Related parties	-	-	1,924	1,924
Borrowings	-	-	32,727	32,727
Taxation	-	-	2,701	2,701
Bank overdraft(secured)	-	-	394	394
Total liabilities	-	-	97,453	97,453

19. ANALYSIS OF FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT BASIS

GROUP

2017

	Available for sale	Loans and Receivables	Financial Assets and Liabilities at Amortised cost	Total
ASSETS	**$M**	**$M**	**$M**	**$M**
Investments	407	-	-	407
Trade receivables	-	2,404	-	2,404
Other receivables and prepayments	-	3,370	-	3,370
Taxes recoverable	-	34	-	34
Cash on hand and at bank	-	-	326	326
Total assets	407	5,808	326	6,541
LIABILITIES				
Employees retirement benefit	-	-	24,674	24,674
Trade payables	-	-	7,490	7,490
Other payables	-	-	35,633	35,633
Related parties	-	-	2,004	2,004
Borrowings	-	-	31,400	31,400
Taxation	-	-	4,038	4,038
Bank overdraft(secured)	-	-	2,394	2,394
Total liabilities	-	-	107,633	107,633

2016

	Available for sale	Loans and Receivables	Financial Assets and Liabilities at Amortised cost	Total
ASSETS	**$M**	**$M**	**$M**	**$M**
Investments	272	-	-	272
Trade receivables	-	2,962	-	2,962
Other receivables and prepayments	-	3,270	-	3,270
Taxes recoverable	-	34	-	34
Cash on hand and at bank	-	-	818	818
Total assets	272	6,266	818	7,356
LIABILITIES				
Employees retirement benefit	-	-	32,852	32,852
Trade payables	-	-	9,664	9,664
Other payables	-	-	17,193	17,193
Related parties	-	-	1,924	1,924
Borrowings	-	-	32,727	32,727
Taxation	-	-	2,714	2,714
Bank overdraft(secured)	-	-	395	395
Total liabilities	-	-	97,469	97,469

20. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

	COMPANY		GROUP	
	2017 $M	2016 $M	2017 $M	2016 $M
Expenditure authorised by the Directors				
Capital expenditure	5,290	3,577	5,290	3,577

The capital expenditure for 2017 was to be funded by a combination of facilities lent by the Government of Guyana, provided by other suppliers of finance and from self generated funds.

Contrary to previous practice, the Commissioner of Internal Revenue in 2000 sought to assess the Corporation on additional income for the years of assessment 1995, 1996 and 1997 arising from the remission of sugar levies by the Government of Guyana for the years 1994, 1995 and 1996. The Corporation does not accept this amended tax treatment and objected to the computations on the grounds that the levies have been correctly treated for tax purposes. No provision has been made in the financial statements for taxation arising from any such computations.

21. PENDING LITIGATION

There are several actions for which the liability of the Group, if any, has not been determined. The maximum potential liability at the end of the year is estimated at $349M (2016 $339M)

22. FINANCIAL RISK MANAGEMENT

Financial risk management objectives

The Group's management monitors and manages the financial risk relating to the operations of the Group through internal risk reports which analyse exposure by degree and magnitude of risks. These risks include market risk (currency risk, interest risk and price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by the use of techniques that are governed by management's policies on foreign exchange risk, interest rate risk and credit risk which are approved by the board of directors.

(a) **Market Risk**

Market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The Group's exposure to market risk arises from its local and foreign securities.

Management continually identifies, evaluates, underwrites and diversifies risks in order to minimise the total cost of carrying such risk.

(i) **Foreign currency risk**

The Group's exposure to the effects of fluctuations in foreign currency exchange rates arise mainly from bank balances, other assets and loans in United States Dollars, Sterling and Euros.

The financial statements at December 31 include the following assets and liabilities denominated in foreign currency stated in the Guyana dollar equivalent.

	Group 2017			
	US Dollar	**GBP**	**Euro**	**Total**
	$M	**$M**	**$M**	**$M**
Assets	749	1	1	751
Liabilities	(620)	(19)	-	(639)
Net Asset/(liability)	**129**	**(18)**	**1**	**111**
	Group 2016			
Assets	1,620	1	0	1,622
Liabilities	(1,955)	(88)	-	(2,043)
Net Asset/(liability)	**(335)**	**(87)**	**0**	**(421)**

22. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Market Risk (cont'd)

(i) Foreign currency risk (cont'd)

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in the Guyana dollar (GYD) against the relevant currencies, 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number indicates an increase in profit where the currency strengthens 5% against the GYD. For a 5% weakening of the currency against GYD there would be an equal and opposite impact on the profit and the balances below would be reversed.

	US$ Impact		Sterling Impact		Euro Impact	
	2017	2016	2017	2016	2017	2016
	$M	$M	$M	$M	$M	$M
Profit/(loss)	6.44	(16.74)	(0.90)	(4.35)	0.04	0.01

22. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Market Risk (cont'd)

(ii) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Group is exposed to various risks that are associated with the effects of variations in interest rates. This impacts directly on its cash flows.

The Group's management continually monitors and manages these risks through the use of appropriate tools and implements relevant strategies to hedge against any adverse effects.

		2017				
	effective	Maturing				
COMPANY	average				Non -	
	interest	Within		Over	interest	
	rate	1Year	1 to 5 years	5 years	bearing	Total
Assets		$M	$M	$M	$M	$M
Investments		-	-	-	407	**407**
Trade receivables					2,382	**2,382**
Other receivables and prepayments		-	-	-	3,370	**3,370**
Cash and cash equivalents	3.75	292	-	-	-	**292**
		292	-	-	6,159	**6,451**
Liabilities						
Employees retirement benefits		-	-	-	24,674	**24,674**
Trade payables		-	-	-	7,486	**7,486**
Other payables					35,633	**35,633**
Related parties		-	-	-	2,004	**2,004**
Borrowings	9.50	13,285	6,154	11,962	-	**31,400**
Taxation		-	-	-	4,025	**4,025**
Bank overdraft(secured)	9.50	2,394	-	-	-	**2,394**
		15,679	6,154	11,962	73,823	**107,616**
Interest sensitivity gap		(15,387)	(6,154)	(11,962)		

		2016				
		Maturing				
					Non-	
COMPANY		Within		Over	interest	
		1 Year	1 to 5 years	5 years	bearing	Total
Assets		$M	$M	$M	$M	$M
Investments		-	-	-	272	**272**
Trade receivables		-	-	-	2,957	**2,957**
Other receivables and prepayments					3,270	**3,270**
Cash and cash equivalents	3.75	784	-	-	-	**784**
		784	-	-	6,499	**7,283**
Liabilities						
Employees retirement benefits		-	-	-	32,852	**32,852**
Trade payables		-	-	-	9,662	**9,662**
Other payables					17,193	**17,193**
Related parties		-	-	-	1,924	**1,924**
Borrowings	9.50	12,797	4,116	15,814	-	**32,727**
Taxation		-	-	-	2,701	**2,701**
Bank overdraft(secured)	9.50	394	-	-	-	**394**
		13,191	4,116	15,814	64,333	**97,453**
Interest sensitivity gap		(12,407)	(4,116)	(15,814)		

22. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Market Risk (cont'd)

(ii) Interest rate risk

GROUP	effective average interest rate	2017 Maturing Within 1Year	1 to 5 years	Over 5 years	Non - interest bearing	Total
Assets		$M	$M	$M	$M	$M
Investments		-	-	-	407	**407**
Trade receivables					2,404	**2,404**
Other receivables and prepayments		-	-	-	3,370	**3,370**
Tax recoverable		-	-	-	34	**34**
Cash and cash equivalents	3.75	326	-	-	-	**326**
		326	-	-	6,215	**6,541**
Liabilities						
Employees retirement benefits		-	-	-	24,674	**24,674**
Trade payables					7,490	**7,490**
Other payables		-	-	-	35,633	**35,633**
Related parties		-	-	-	2,004	**2,004**
Borrowings	8.50	13,285	6,154	11,962	-	**31,400**
Taxation		-	-	-	4,038	**4,038**
Bank overdraft(secured)	8.50	2,394	-	-	-	**2,394**
		15,679	6,154	11,962	73,839	**107,633**
Interest sensitivity gap		(15,353)	(6,154)	(11,962)		

GROUP	2016 Maturing Within 1 Year	1 to 5 years	Over 5 years	Non-interest bearing	Total
Assets	$M	$M	$M	$M	$M
Investments	-	-	-	272	**272**
Trade receivables				2,962	**2,962**
Other receivables and prepayments	-	-	-	3,270	**3,270**
Tax recoverable	-	-	-	34	**34**
Cash and cash equivalents 3.75	818	-	-	-	**818**
	818	-	-	6,538	**7,356**
Liabilities					
Employees retirement benefits	-	-	-	32,852	**32,852**
Trade payables				9,664	**9,664**
Other payables	-	-	-	17,193	**17,193**
Related parties	-	-	-	1,924	**1,924**
Borrowings 8.50	12,797	6,154	13,776	-	**32,727**
Taxation	-	-	-	2,714	**2,714**
Bank overdraft(secured) 8.50	395	-	-	-	**395**
	13,192	6,154	13,776	64,347	**97,469**
Interest sensitivity gap	(12,374)	(6,154)	(13,776)		

22 FINANCIAL RISK MANAGEMENT (cont'd)

(a) **Market Risk (cont'd)**

(ii) **Interest rate risk cont'd**

(ii) Interest rate sensitivity analysis

The table below analyses the sensitivity of interest rates exposure for both financial assets and liabilities at the end of the reporting period. For floating rate instruments, the analysis is prepared assuming the amount of the instrument outstanding at the end of the reporting period was outstanding for the whole year. A fifty (50) basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents managements assessment of the reasonably possible change in interest rate.

Apart from the foregoing with respect to the other financial assets and liabilities, it was not possible to determine the expected impact of a reasonable possible change in interest rates on profits or equity as other factors such as credit risks, market risks, political and disaster risks can affect the value of the asset and liabilities

The impact on the profit for the year is the effect of changes in interest rates on the floating interest rates of financial assets and liabilities.

This impact is illustrated on the following table:

		Impact on loss for the year			
		Company 2017	**Group 2016**	**Company 2017**	**Group 2016**
	Increase/ decrease in basis point	**G$M**	**G$M**	**G$M**	**G$M**
Cash & cash equivalent	+ /-50	3	8	3	8
Borrowings	+ /-50	428	331	428	331

(iii) **Price risk**

Price risk is the risk that the value of the financial instruments will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. Management continually identifies, underwrites and diversifies risk in order to minimize the total cost of carrying such risk.

22. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Liquidity risk (cont'd)

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet its commitments associated with financial instruments. The Group manages its liquidity risk by maintaining an appropriate level of resources in liquid or near liquid form.

The Group's policy is to maintain a strong liquidity position and to manage the liquidity profile of assets, liabilities and commitments so that cash flows are appropriately balanced and all funding obligations met when due.

The information given below relates to the major financial assets and liabilities based on the remaining period at 31 December to the contractual maturity dates.

	GROUP 2017					
	Maturing					
	Within 1 year					
	on demand	due in 3 months	due 3 - 12 months	2 to 5 years	Over 5 years	Total
Assets	$M	$M	$M	$M	$M	$M
Investments	-	-	-	-	407	407
Trade receivables	2,032	372	-	-	-	2,404
Other receivables and prepayments	3,258	112	-		-	3,370
Taxes recoverable	-	-	34	-	-	34
Cash on hand and at bank	326	-	-	-	-	326
Total assets	5,616	484	34	-	407	6,541
Liabilities						
Employees retirement benefits	-	-	-	-	24,674	24,674
Trade payables	7,490	-	-	-	-	7,490
Other payables	35,633	-	-	-	-	35,633
Related parties	-	-	2,004	-	-	2,004
Borrowings	-	-	13,285	6,154	11,962	31,400
Taxation	-	-	4,038	-	-	4,038
Bank overdraft(secured)	2,394	-	-	-	-	2,394
Total liabilities	45,518	-	19,327	6,154	36,636	107,633
Net asset/(liabilities)	**(39,902)**	**484**	**(19,293)**	**(6,154)**	**(36,229)**	**(101,092)**

22. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Liquidity risk (cont'd)

	GROUP 2016					
	Maturing					
	Within 1 year					
	on demand	due in 3 months	due 3 - 12 months	2 to 5 years	Over 5 years	Total
Assets	$M	$M	$M	$M	$M	$M
Investments	-	-	-	-	272	272
Trade receivables	1,012	1,950	-	-	-	2,962
Other receivables and prepayments	1,930	1,340	-		-	3,270
Taxes recoverable	-	-	34	-	-	34
Cash on hand and at bank	818	-	-	-	-	818
Total assets	3,760	3,290	34	-	272	7,356
Liabilities						
Employees retirement benefits	-	-	-	-	32,852	32,852
Trade payables	9,664	-	-	-	-	9,664
Other payables	17,193	-	-	-	-	17,193
Related parties	-	-	1,924	-	-	1,924
Borrowings	-	-	12,797	4,116	15,814	32,727
Taxation	-	-	2,714	-	-	2,714
Bank overdraft(secured)	395	-	-	-	-	395
Total liabilities	27,252	-	17,435	4,116	48,666	97,469
Net asset/(liabilities)	**(23,492)**	**3,290**	**(17,401)**	**(4,116)**	**(48,394)**	**(90,113)**

22. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Credit risk

The table below shows the company's maximum exposure to credit risk:

	Company		Group	
	Maximum exposure		Maximum exposure	
	2017	2016	2017	2016
	$M	$M	$M	$M
Cash on hand and at bank	292	784	326	818
Investments	407	272	407	272
Investment in subsidiary	22	22	-	-
Trade, other receivables and prepayments	5,752	6,226	5,774	6,232
Tax recoverable	-	-	34	34

Credit risk refers to the risk that a customer will default on its contractual obligations resulting in financial loss to the group.

The Company and Group face credit risk in respect of their receivables and cash and cash equivalents. However, this risk is controlled by close monitoring of these assets by the Group. The maximum credit risk faced by the Group is the balance reflected in the financial statements.

Cash and cash equivalents are held by commercial banks. These banks have been assessed by the Directors as being credit worthy, with very strong capacity to meet their obligation as they fall due.

The related risk is therefore considered very low.

Investments reflected in the Company and Group Statement of Financial Position are assets for which the likelihood of default is considered minimal by the Directors.

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivables on a regular basis.

	Company		Group	
	2017	2016	2017	2016
	$M	$M	$M	$M
Trade and other receivables (excluding prepayments)	5,562	6,074	5,584	6,080
The above balances are classified as follows:				
Current	529	3,717	529	3,717
Past due but not impaired	5,033	2,359	5,055	2,364
	5,562	**6,076**	**5,584**	**6,081**
Aging of trade and other receivables which was pass due but not impaired				
Past Due up to 29 days	1,922	571	1,944	576
Past Due 30 - 59 days	446	136	446	136
Past Due 60 - 89 days	1,706	71	1,706	71
Past Due 90 - 179 days	5	99	5	99
Past Due over 180 days but less than 1 year	900	59	900	59
Past Due more than 1 year	172	1,446	172	1,446
	5,150	**2,381**	**5,172**	**2,386**
Collectively assessed provision for bad debts	(118)	(21)	(118)	(21)
	5,033	**2,359**	**5,055**	**2,364**

23. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2016.

The capital structure of the Group consists of issued capital, reserves and retained earnings.

Gearing ratio

The Group's management reviews the capital structure on an on-going basis. As part of this review management considers the cost of capital and the risks associated with each class of capital. The corporation have not set a target gearing ratio .

The gearing ratio at the year end was as follows:

	Company		Group	
	2017	2016	2017	2016
	$M	$M	$M	$M
Debt (i)	33,794	33,121	33,794	33,122
Cash in hand and at bank	(292)	(784)	(326)	(818)
Net debt	33,502	32,337	33,468	32,304
Equity (ii)	(22,207)	21,370	(22,334)	21,254
Net debt to equity ratio	1.51:1	1.51:1	1.50:1	1.52:1

(i) Debt is defined as long- and short-term borrowings and bank overdraft.
(ii) Equity includes all capital and reserves of the Group.

24. Basic loss per share

	COMPANY	
	2017	2016
	$	$
Profit/(Loss) for the year	(47,524,526,027)	904,372,969
	Units	Units
Ordinary share issued and fully paid	10,799,571,775	10,799,571,775
Basic Profit/(loss) per share	(4.40)	0.08

	GROUP	
	2017	2016
Profit/(Loss) attributable to equity holders of the parent	(47,539,100,377)	875,440,624
Ordinary share issued and fully paid	10,799,571,775	10,799,571,775
Basic Profit/(loss) per share	(4.40)	0.08

25. European Union Sugar Protocol

The Econmic Partnership Agreement (EPA), effective from October 1, 2008, replacing the Sugar Protocol, includes all the benefits of access, price and unlimited duration transposed into Duty - Free - Quota - Free (DFQF) access.

The key component of the EPA is the reciprocity which removes all establised trade preferences between the EU and Guyana resulting in bilateral commerical contracts. The EPA also hopes to improve the investment in the sector while promoting public-private partnerships.

The Group is assessing all the strategic options available in the open market for sugar trade after 2016.

26. Fair value of financial instruments

The following table details the carrying costs of financial assets and liabilities and their fair values

	GROUP 2017		GROUP 2016	
	Carrying Value $M	Fair Value $M	Carrying Value $M	Fair Value $M
Financial assets				
Available for sale investments	407	407	272	272
Trade receivables	2,404	2,404	2,962	2,962
Other receivables and prepayments	3,370	3,370	3,270	3,270
Taxes Recoverable	34	34	34	34
Cash and cash equivalents	326	326	818	818
	6,541	6,541	7,356	7,356
Financial liabilities				
Employee retirement benefits	24,674	24,674	32,852	32,852
Trade payables	7,490	7,490	9,664	9,664
Other payables	35,633	35,633	17,193	17,193
Related Parties	2,004	2,004	1,924	1,924
Borrowings	31,400	31,400	32,727	32,727
Taxation	4,038	4,038	2,714	2,714
Bank overdraft(secured)	2,394	2,394	395	395
	107,635	107,635	97,469	97,469

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and financial liabilities are determined as follows.

(a) For available for sale financial assets,the fair values were determined with reference to quoted market prices. Quoted market prices are obtained from independent market valuators using level 1 fair value measurements.

(b) Financial instruments where the carrying amounts are equal to fair value:-Due to their short-term maturity, the carrying amounts of certain financial instruments are assumed to approximate their fair values. These include cash and cash equivalent, trade & other receivables and prepayments, borrowings and trade and other payables, employee