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(c) *Financial Instruments: Initial recognition and subsequent measurement—*

(i) Financial assets—

Initial recognition and measurement—

Financial assets within the scope of International Accounting Standard (IAS) 39, "Financial Statements: Recognition and measurement", are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for- sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition.

All financial assets are recognized initially at fair value and, in the case of assets carried at fair value through profit or loss, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time period established by regulation or market convention are recognized on the trade date, which represents the date that the Company commits to purchase or sell the asset.

Subsequent measurement—

The subsequent measurement of financial assets depends on their classification. As of December 31, 2014 and 2013, the Company only maintains loans and receivables, as described below:

Loans and receivables—

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, for which the entity has no intention of selling indirectly nor in the near future and have no risk other than credit impairment.

After initial recognition, such financial assets are measured at amortized cost using the effective interest rate method (EIR), less any impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is recognized in the statement of comprehensive income as "Financial income". Losses resulting from impairment are recognized in the statement of comprehensive income as a provision.

As of December 31, 2014 and 2013, the Company maintains cash and cash equivalent, trade receivables and other receivables in this category.

Derecognition—

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when the rights to receive cash flows from the asset have expired.