

Caribbean Cream Ltd.  
**Annual Report**  
**2015**



Building  
Momentum:  
One Scoop  
At A Time



Building  
Momentum:  
One Scoop  
At A Time

# Our Vision

"The #1 ice cream company in the Caribbean."



# Our Brand

Kremi Ice Cream, manufactured by Caribbean Cream Limited, was born out of a family of the island's leading producers of premium ice cream. Boasting bold, tropical Jamaican flavours like; Rum and Raisin, Grapenut, Orange-Pineapple, Stout and Coffee Rum Cream, our ice cream is produced locally at the highest quality to meet international standards. Propelled by our commitment to innovation, we have rebranded and expanded our facilities in order to meet the growing demand. Our consumers have been attracted to our bold new packaging and the same great, high quality Kremi taste!

# Our Products:

## Ice Cream Gallon Box

Perfect for 'fudgies' (mobile vendors), parties, schools or large events and is now available in both 3 gallon and 1.5 gallon boxes with 20 flavours such as: Banana Split, Cherry Pineapple, Choco Swag, Coffee Rum Cream, Rum & Raisin and Stout.

## Ice Cream Tub

Conveniently packaged for the entire family to enjoy at home! Our wide range of flavours are available in supermarkets and convenience stores islandwide.

## Ice Cream Cakes

Ideal for an individual treat or an on-the-go snack! This delicious treat is available in a 265g size at 12 per case.



## Frozen Novelties

Caribbean Cream Limited is the exclusive distributor in Jamaica of Flavorite frozen novelties such as: Ice Cream Sandwich, Dark 'n' Crunchy, Hola Kola, Nutty Royale and Likka Stik - all with a Caribbean flavour.

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## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 2015 Annual General Meeting of CARIBBEAN CREAM LIMITED will be held at the Institute of Chartered Accountants of Jamaica, 8 Ruthven Road, Kingston 10 on Tuesday, September 29, 2015 at 10 a.m. for the purpose of transacting the following business:

1. To receive the Audited Accounts for the year ended February 28, 2015 together with the reports of the Directors and Auditors thereon,

The Company is asked to consider, and if thought fit, pass the following resolution:

**Resolution No. 1**

"That the Audited Accounts for the year ended February 28, 2015, together with the reports of the Directors and Auditors thereon, be and are hereby adopted."

2. To elect Directors.
  - (i) The Directors retiring by rotation in accordance with Regulation 105 of the Company's Articles of Incorporation are Messrs. Matthew Clarke, Wayne Wray and Mark McKenzie, who being eligible for re-election, offer themselves for re-election.

The Company is being asked to consider, and if thought fit, pass the following resolutions:

**Resolution No. 2**

"That the Directors, retiring by rotation, be re-elected by a Single Resolution."

**Resolution No. 3**

"That Messrs. Matthew Clarke, Wayne Wray and Mark McKenzie be and are hereby re-elected as Directors of the Company."

3. To approve the Remuneration of the Directors.

The Company is asked to consider, and if thought fit, to pass the following resolution:

**Resolution No. 4**

"That the amount shown in the Audited Accounts of the Company for the year ended February 28, 2015 as fees of the Directors for their services as Directors, be and are hereby approved."

4. To appoint Auditors and to authorize the Directors to fix the remuneration of the Auditors.

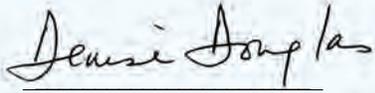
The Company is asked to consider, and if thought fit, pass the following resolution:

**Resolution No. 5**

"That the remuneration of the Auditors, KPMG, Chartered Accountants, who have signified their willingness to continue in office, be such as may be agreed between the Directors of the Company and the Auditors."

**NOTICE to the 2015 Annual General Meeting** (Continued)

Dated June 26, 2015  
By Order of the Board



**Denise Douglas**  
Company Secretary  
Registered Office  
3 South Road  
Kingston 10

**NOTE:**

1. A member entitled to attend and vote at the meeting may appoint a proxy, who need not be a member, to attend and so on a poll, vote on his/her behalf. A suitable form of proxy is enclosed. Forms of Proxy must be lodged with the Registrar of The Company, Jamaica Central Securities Depository, 40 Harbour Street, Kingston not less than 48 hours before the time of the meeting.
2. A Corporate shareholder may (instead of appointing a proxy) appoint a representative in accordance with Regulation 75 of the Company's Articles of Incorporation. A copy of Regulation 75 is set out on the enclosed detachable proxy form.

## Chairman's Message

2014 was a historic year for Caribbean Cream in that we surpassed the J\$1 billion mark in revenues and realized above 40 per cent increase in net profit.

This is of particular significance against the background of a contracting economy that saw a reduction in disposable income, double digit inflation and a weakened Jamaican dollar.

In addition, Jamaica was severely impacted by an outbreak of Chikungunya, which lowered our production levels through staff illness and reduced the demand for our products over an extended period.

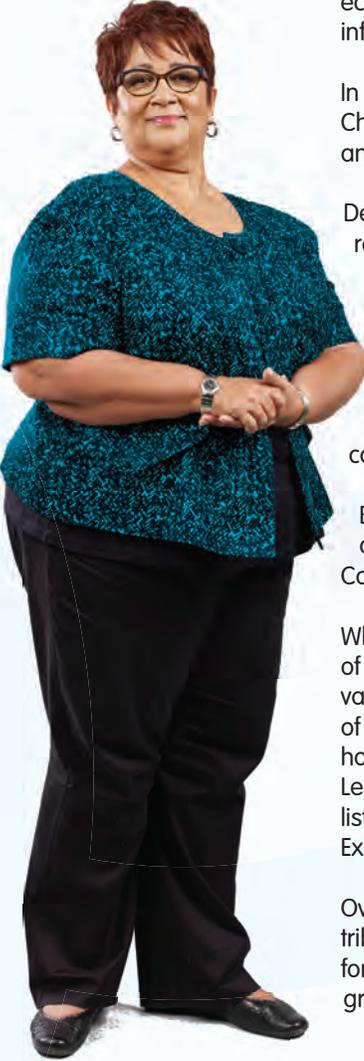
Despite all these challenges, we were able to increase our brand recognition and grow our business through a strategy of deepening relationships with our distributors and customers.

As part of this strategy, we continued to refurbish and rebrand our locations throughout the island; rebranded our mobile units; increased the number of store promotions and maintained our presence in the local media with our redesigned advertising campaign.

Beyond this, we continued to improve our production capacity and quality with the installation of a new state-of-the-art Blast Freezer and Cold Room.

While enjoying great success in our operations, we did not lose sight of our Corporate Social Responsibility and continued our support of various charity organisations and church groups through the donation of Kremi ice cream products for their fund-raising events. We are also honoured to have been nominated for the Jamaica Observer Business Leader Award 2014, having been among nominees drawn from the list of entrepreneurs who listed their companies on the Junior Stock Exchange.

Overall we had our most successful year-to-date and I want to pay tribute to our Directors, Management team, employees and distributors for their outstanding support which has contributed to this phenomenal growth in our operations.



*Carol Clarke Webster*

**Carol Clarke-Webster**

Chairman, Caribbean Cream limited

# Director's Report

The Directors are pleased to present their report for the financial year ended February 28, 2015.

<b>Financial Results</b>	<b>\$</b>
Profit before Taxation	56,766,300
Taxation	<u>0</u>
Net Profit/(Loss)	56,766,300
Retained Earnings at the beginning of the year	<u>70,925,012</u>
Retained Earnings at the end of the year	127,691,312

## **Dividend**

The Directors do not recommend a dividend payment for the year under consideration.

## **The Board**

The Directors as at February 28, 2015 were as follows:

Christopher Clarke  
Carol Clarke-Webster  
Matthew Clarke

Wayne Wray  
Mark McKenzie  
Michael Vacciana

In accordance with Regulation 105 of the Company's Articles of Incorporation, Directors Matthew Clarke, Wayne Wray and Mark McKenzie and Michael Vacciana will retire by rotation and, being eligible, offer themselves for re-election.

## **Auditors**

The company auditors, KPMG, Chartered Accountants, have indicated a willingness to continue in office pursuant with the provisions of Section 154(2) of the Companies Act.

The Directors wish to place on record their appreciation and recognition of the dedicated efforts and hard work given by the officers and staff of the company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



**Carol Clarke-Webster**

Chairman, Caribbean Cream limited

# Management Discussion & Analysis

## FOUR-YEAR FINANCIAL REVIEW

	2015	2014	2013	2012
	\$'000	\$'000	\$'000	\$'000
Revenue	1,012,861	855,568	675,708	431,023
Gross Profit	275,800	202,482	130,083	109,734
Net Profit/(Loss)	56,766	35,077	(3,257)	31,362
Net Current Assets/(Liabilities)	18,555	(25,510)	(24,430)	(20,761)
Property, plant and equipment	394,047	368,665	224,219	118,229
Stockholder's equity	286,772	230,006	115,885	46,379
Earnings per stock unit	\$0.15	\$0.10	(\$0.01)	-

### Management Discussion and Analysis of the Company's Performance

#### Strategic Thrust

Caribbean Cream Limited (CCL) has been incorporated and domiciled in Jamaica since 2006. The principal activities of the Company are the manufacture and sale of ice cream, under the Kremi brand and the importation and distribution of certain types of frozen novelties.

CCL's focus is the delivery of high quality, lower-cost ice cream. From 2006 until present the Company has continued to exhibit growth in its revenue. To enable and sustain this growth CCL continues to invest significantly in new technology and equipment and expand its cold storage capacity.

The Company's shares were listed on the Junior Market of the Jamaica Stock Exchange (JSE) on May 17, 2013.

CCL had an outstanding year and we are well on our way to our Vision of becoming the "#1 Ice Cream Company in the Caribbean". The significant growth in Sales and Net Profit can be attributed to the strong rebranding exercise that we continue to pursue, providing greater brand awareness for our physical locations, retail products and mobile units ('fudgies'). This has been built further with a sustained media presence using a new advertising campaign and the deepening of relationships with our distributors and customers.

## **Key Performance Drivers**

During the year under review our Company refurbished and rebranded our locations; provided newly branded aprons for our mobile distributors; increased the number of store promotions, while maintaining our presence in the local media with our vibrant and colourful advertising campaign.

This strategy grew sales of our Kremi products, driven by an aggressive market penetration in the retail segment with our eye-catching design of pint and quart tubs for ice cream and novelties, while, simultaneously, the demand for wholesale products in 3 gallon and 1.5 gallon containers grew. In fact, our products are now available in more than 800 supermarkets and convenient stores, as well as numerous "Mom & Pop" shops across the island.

During the year under review, we conducted ongoing consumer promotions in many of these outlets, which were designed to encourage trial and re-purchase of our products. In addition, we now have in excess of forty (40) 'fudgies' which have been rebranded with our eye-catching new, colourful logo.

Beyond the thrust to expand our distribution and increase visibility, we continued to excite our consumers by introducing four new flavours during the year, namely: Skoolaz Blue, Skoolaz Gold, Skoolaz Purple and Crismus Swirl.

On the production side, following our plans to improve quality and efficiency, we commissioned a new Blast Freezer and Cold Room. These machines harden ice cream eight times faster than the previous equipment and resulted in increased production capacity by 7%. These new standards give us the ability to consistently provide a full range of flavours to our consumers and deliver customers' orders in full during peak periods.

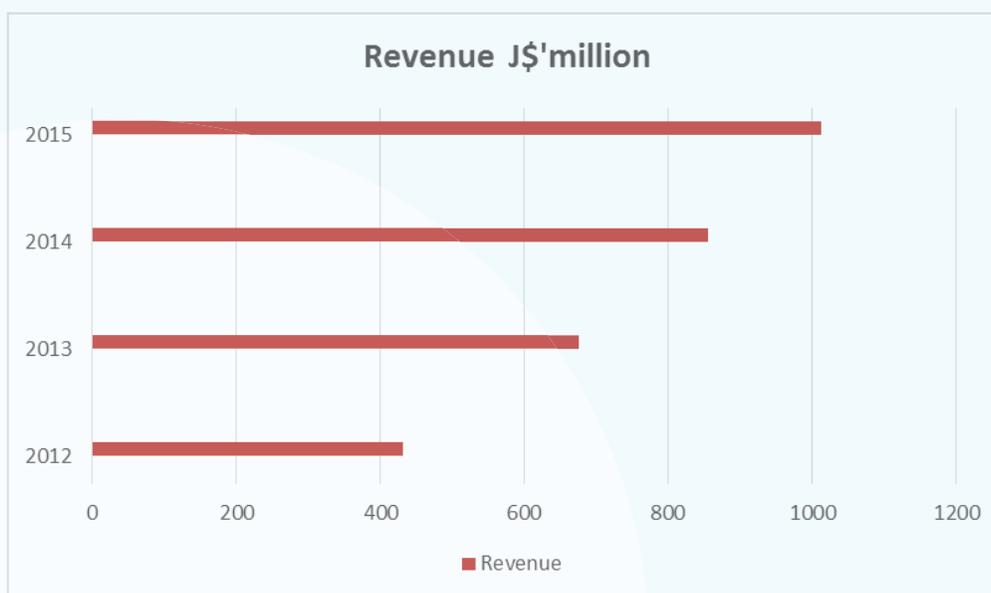
## **Financial Performance**

### Financial Summary

	<b>Financial year ended February 28</b>		
	<b>Yr 2015 \$'000</b>	<b>Yr 2014 \$'000</b>	<b>% Change</b>
Revenue	1,012,861	855,568	18%
Gross Profit	275,800	202,482	36%
Net Profit	56,766	35,077	62%
Shareholder's Equity	286,772	230,006	25%

### **Revenue and Gross Margin**

Our audited results show revenue for the 12-month period under review increasing by 18% or \$157 million. It is important to note that this reflects consistent growth throughout the year with all Quarters delivering double digit increases. This is attributable to increased sales through the rebranding of the pint and quart containers, as well as ice cream cake and our other flagship products. This translates to an increase in the gross profit for 2014-2015 of 36%, which was aided by the reduced cost of sales, where the company achieved savings in the prices of certain raw materials on the world market.



The chart above reflects our growth, which has contributed to the Company achieving one of our major milestones of \$1 billion dollar in revenue for this financial year.

#### Operating expenses

Total operating expenses for the year amounted to \$221.5 million or 32% above last year.

1. Marketing, Sales & Distribution costs increased by 42% or \$11.2 million where the main focus for the year was the rebranding and the re-launch of the Kremi range of products.
2. Finance cost increased by 47% or \$8.6million due to the acquisition of additional loans to install the Blast Freezer which went into operation in November, 2014.
3. Administrative cost was increased by 28% or \$33.7 million. The main factors contributing to the increase were:
  - a. Investment in key management personnel
  - b. Capitalization of the Cold Room which resulted in higher depreciation charges
  - c. Higher utilities, security, cleaning and sanitation costs.

#### Financial Position

Total assets less current liabilities were \$412.6 million - an increase of \$69.4 million or 20% over last year. This was attributable to the capital investment in the new Blast freezer. The company will continue to increase its capital investment for the upcoming year aimed at increasing growth.

The chart below depicts continued increase in capital investment throughout the year.



Closing inventory increased in comparison to last year by \$13.8 million or 21% as a result of strategies undertaken to boost our presence in all segments of the trade.

Combination of cash and bank, and overdraft balances at the end of the year, amounted to a net overdraft of \$2.8 million - an improvement over the last financial year which totalled \$5.1 million. Net current assets continue to improve, moving from net current liabilities of \$25.5 million in 2014 to net current assets of \$18.5 million in 2015.

#### **RISK MANAGEMENT & INTERNAL CONTROLS**

The Company recognises the importance of all types of risks engendered in the operations of a manufacturing business. As a result, the services of Ernst & Young (E&Y) were engaged as Internal Auditors up to December, 2014 in order to identify risks and make recommendations to strengthen controls throughout CCL. We are extremely grateful to E&Y for working with our Board and Management team for over a year to establish a sound foundation to manage risk in all aspects of our operations. The Audit Committee is committed to the on-going monitoring of the process and execution of the risk management initiatives agreed with E&Y.

CCL maintains a clean and hygienic working environment as required by Ministry of Health standards and those of other regulatory bodies. In addition, the Company continues to invest in equipment so it can adhere to the maintenance of best practices in food processing.

#### **Outlook**

In the upcoming year, Caribbean Cream Limited plans to focus on increasing operational efficiencies, guided by our outstanding management team of experts, including our new Financial Controller and Chief Operations Officer. In addition, we aim to facilitate the growth of our mobile vendors by mentoring them in ways to improve their businesses and push sales. We also plan to continue to build our brand recognition, key stakeholder relationships and corporate social responsibility.

# Corporate Governance

The Board of Directors of Caribbean Cream Limited is responsible for the Company's system of corporate governance and ultimately accountable for the Company's activities, strategy, risk management and financial performance. The Board has the authority, and is accountable to shareholders, for ensuring that the Company is appropriately managed and achieves the strategic objectives it sets.

## Board of Directors Composition

The Board of Directors is comprised of board members who are qualified, objective, committed, possess diverse skill sets and the background to effectively serve on the various committees of the board. As at February 28, 2015, the Board comprised of 5 non-executive directors and 1 executive director. The names of the directors and their qualifications are set out in the Directors' Profile section of this report.

## The Board and its Committees -

### Board of Directors

Carol Clarke-Webster – Chairman	Mark McKenzie
Christopher Clarke	Michael Vacciana
Matthew Clarke	Wayne Wray

### Audit Committee

Wayne Wray – Chairman  
 Christopher Clarke  
 Mark McKenzie  
 Michael Vacciana

### Compensation Committee

Mark McKenzie – Chairman  
 Carol Clarke-Webster  
 Wayne Wray

The Members of the Committee and their attendance at the respective meetings for the 2015 financial year is reflected in the Table below:

	Annual General Meeting	Board of Directors' Meeting	Audit Committee Meeting	Compensation Committee Meeting
Number of meetings for the year	1	5	5	1
Christopher Clarke	1	5	5	
Matthew Clarke	1	4		
Carol Clarke-Webster	1	4		1
Mark McKenzie	1	5	5	1
Michael Vacciana	1	3	3	
Wayne Wray	1	5	5	1

# Board of Directors



**1 Mrs. Carol Clarke-Webster**  
Chairman

A Director and Chairman of the Board, she was appointed on April 17, 2012. Mrs. Clarke-Webster brings to the Board a wealth of experience in the ice cream industry. She established Scoops Un-Limited Limited and began manufacturing and selling Devon House I-Scream in 1989. Known as an ice cream pioneer, Mrs. Clarke-Webster is accorded the distinction of being the creative genius behind the uniquely flavoured, highly favoured and widely famous Devon Stout Ice Cream.

**2 Mr. Christopher Clarke**  
Managing Director & Chief Executive Officer

Founder, Managing Director and Chief Executive Officer of Caribbean Cream Limited, which was started in April 2006, Mr. Clarke invested his love for science and business in setting up the Company. He graduated from the University of Michigan with a B.Sc. in Mechanical Engineering, and gained an MBA with specialties in both Finance and Marketing from the University of Miami. Mr. Clarke moved back to Jamaica in January, 2004 to work in the family's ice cream business before launching his own "bucketful" of ice cream enterprise.

**3 Dr. Matthew Clarke**  
Director

Dr. Matthew Clarke was appointed to the Board on April 17, 2012. He serves as a Director of Scoops Un-Limited Ltd. - the manufacturer and marketer of the world famous Devon House I-Scream. Dr. Clarke is an Orthopedic Traumatology & Sports Medicine Surgeon currently practising at Kendall Regional Medical Center, South Florida. He graduated Cum Laude with a B.Sc. in Biology from the University of Michigan. A brilliant scholar, he later received his Medical Degree, specifically in the field of Orthopedic Surgery and successfully completed his Orthopedic Surgical Residency at Howard University Hospital in Washington, DC, USA. He also pursued - and successfully completed - his sub-specialty Fellowships in Sports Medicine and Orthopedic Traumatology at Georgetown University and the University of Miami/Jackson Memorial Hospital Ryder Trauma Center, respectively.

**4 Mr. Mark McKenzie**  
Non-Executive Director

Mr. Mark McKenzie is a Non-Executive Director of the Company. He is a highly accomplished Executive with over 25 years of experience in the consumer goods industry. He has spent a large part of his career in leadership roles with global giants including Diageo, Procter & Gamble, Gillette and Coca-Cola. Beyond that, he has owned and managed his own Dry Cleaning plant in Puerto Rico and was a Management consultant in Jamaica for three years before moving to Florida at the end of 2012. His leadership roles have included responsibilities for the Caribbean as well as Central and South America. His areas of focus have ranged from Sales and Marketing to Strategy and Planning and General Management. He was the CEO at Red Stripe for five and a half years. He has dedicated considerable time to charitable, community based and corporate organizations, including St. Patrick's Foundation and United Way.

**5 Mr. Michael Vacciana**  
Non-Executive Director

Appointed Non-Executive Director on December 16, 2013, Mr. Michael Vacciana is a member of the Audit Committee of Caribbean Cream Limited. He is also a Senior Partner in the Law Firm Vacciana & Whittingham. Mr. Vacciana has over 33 years standing at the Jamaican Bar and holds an LL.B. Degree from the University of the West Indies and a Certificate in Legal Education from the Norman Manley Law School in Jamaica. He has had extensive experience in corporate and commercial matters, primarily in Project Development and Financing, Mining and Energy, Mergers and Acquisitions, Banking and Finance, and International Trade. Mr. Vacciana is a member of the Jamaican Bar Association and an Associate Member of the American Bar Association. He also serves as a Commissioner of the Financial Services Commission and is Chairman of the Board of Management of Kingston College.

**6 Mr. Wayne Wray**  
Non-Executive Director & Mentor

The company's Non-Executive Director and Mentor, Mr. Wayne Wray was appointed to the Board of Directors on April 17, 2012. His portfolio of experience and expertise includes executive leadership and management positions in the field of Finance and Banking. He is a Past Chairman of Jamaica Institute of Bankers, as well as the Caribbean Association of Banks. Licensed by the Financial Services Commission as an investment advisor, Mr Wray is the Principal Director of Wiltshire Consulting & Advisory Limited. He is also Managing Director and Principal Shareholder of 365 Retail Limited, an authorised dealer retailing and distributing petroleum and lubricants for Total Jamaica Limited. He is committed to nation building and serves on the Board of several community development organizations.

# Senior Management Team



**1 Mr. Christopher Clarke**  
Managing Director & Chief Executive Officer

**2 David Radlein**  
CHIEF MARKETING OFFICER

A strategically focused senior executive, with over 30 years of success in influencing business growth and market captancy in diverse and challenging environments, David Radlein is highly respected and acclaimed as a collaborative and transformational leader. He has honed his skills as a strategist, with talent for synthesizing strategic plans which have significantly impacted and advanced the Mission and Vision of many organizations.

His proven ability to analyze market dynamics, customer demands and competitor activities, coupled with his business and fiscal management acumen, has enabled the sustained revenue growth for the companies with which he has worked.

Mr. Radlein gained a Bachelor of Commerce Degree (Marketing and Administration) from the University of Windsor, Ontario, Canada, as well as Certificate Level training and development in allied subject areas from other leading Educational Institutions located in several countries across the globe. He joined the team in November, 2013.

**3 Karen M. Williams**  
FINANCIAL CONTROLLER

Karen M. Williams is respected as a leading professional in the field of Accounting, Reporting and Internal Controls, who joined the Caribbean Cream team in May 2014. She is a Certified Public Accountant and a Member of the Institute of Chartered Accountants of Jamaica. Her qualifications include a Bachelor of Science Degree in Management Studies & Accounting (Hons.) from the University of the West Indies, a CPA from Delaware State Board of Accountancy (USA), and other professional training in several strategically aligned subject areas.

Ms. Williams' distinguished career included several senior management positions in which she has served to advance the business interests of many leading organizations. Her experience spans various industries, such as manufacturing and distribution, financial, literary and community development, through charities.

**4 Stephen Lloyd**  
CHIEF OPERATIONS OFFICER

Known for his discipline, diligence and ability to get the job done in spite of the attendant challenges, Stephen Lloyd has achieved a solid record of performance in product development and production.

His over 18 years' experience has been applied to critical strategic areas in his capacities as Quality Assurance Analyst, Quality Controller, Team Leader, Production Manager and Operations Manager. His professional flexibility and adaptability is honed as much by experience as by the first-class education and training he has received as the holder of a Masters in Business Administration (MBA), University of New Orleans, (USA); Bachelor of Science Degree in Biochemistry (Hons.), University of the West Indies, and various Certificates in several professional development areas. He joined Caribbean Cream Limited in May 2014.

# CARIBBEAN CREAM LIMITED

## LIST OF TOP TEN (10) LARGEST SHAREHOLDERS

AS AT FEBRUARY 28, 2015

Name	Units
1. Scoops Un-Limited Limited	121,141,801
2. Matthew G. Clarke	60,055,425
3. Carol Webster/Christopher Clarke	58,521,764
4. Christopher A. Clarke	48,149,799
5. Resource In Motion Limited	20,248,618
6. Mayberry West Indies Limited	10,002,078
7. JI Limited	5,000,000
8. Mayberry Investment Ltd. Pension Scheme	3,000,000
9. Caribbean Foods Limited	2,999,623
10. Mark A. McKenzie	2,500,000

### SHAREHOLDINGS OF DIRECTORS AND CONNECTED PARTIES

AS AT FEBRUARY 28, 2015

Director	Shareholdings	Connected Parties	Shareholdings
Carol Webster	58,521,764	Christopher Clarke Scoops Un-Limited Limited	121,141,801
Matthew G. Clarke	60,055,425	Scoops Un-Limited Limited	121,141,801
Christopher A. Clarke	43,149,799		
Christopher A. Clarke	5,000,000	Kamoy S. Clarke (joint holder) Scoops Un-Limited Limited	121,141,801
Mark McKenzie	2,500,000	---	
Wayne Wray	1,000,000 1,835	Christine Randle Craig A. Singh	

### SHAREHOLDINGS OF SENIOR OFFICE MANAGERS AND CONNECTED PARTIES

AS AT FEBRUARY 28, 2015

Senior Manager	Shareholdings	Connected Parties	Shareholdings
David Radlein	100,000	Catherine Radlein	
Karen Williams	25,855	Vyris Williams	



Jacqueline Sharp, President and Chief Executive Officer, Scotiabank, presents a cartoon to Carol Webster-Clarke (centre), Chairman of Caribbean Cream Limited, while Christopher Clarke (right), CEO of Caribbean Cream looks on. The presentation was made at the Jamaica Observer Business Leader Awards 2014.



Cartoon of Chris Clarke (CEO) and Carol Webster-Clarke (Chairman), Caribbean Cream Limited, raising an 'ice-cream toast'. The piece was commissioned to commemorate Caribbean Cream Limited's nomination at the 2014 Jamaica Observer Business Leader Awards.







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**KPMG**  
**Chartered Accountants**  
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Telephone +1 (876) 922-6640  
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+1 (876) 922-4500  
e-Mail firmmail@kpmg.com.jm

To the Members of  
CARIBBEAN CREAM LIMITED

### **Report on the Financial Statements**

We have audited the financial statements of Caribbean Cream Limited, set out on pages 3 to 26, which comprise the statement of financial position as at February 28, 2015, and the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

#### *Managements Responsibility for the Financial Statements*

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether or not the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence relating to the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including our assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view 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*

In our opinion, the financial statements give a true and fair view of the financial position of Caribbean Cream Limited as at February 28, 2015, and of its financial performance, and cash flows for the year then ended, in accordance with International Financial Reporting Standards and the Jamaican Companies Act.

KPMG, a Jamaican partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

R. Tarun Henda  
Patricia O. Dailey-Smith  
Linroy J. Marshall  
Cynthia L. Lawrence  
Rajan Trehan

Norman O. Rainford  
Nigel R. Chambers  
W. Gihan C. de Mel  
Nyssa A. Johnson  
Wilbert A. Spence



**Report on additional matters as required by the Jamaican Companies Act**

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act, in the manner required.

**Comparative information**

The financial statements of the previous year were audited by another firm of Chartered Accountants, who issued an unqualified opinion dated May 29, 2014.



Chartered Accountants  
Kingston, Jamaica

May 22, 2015

# CARIBBEAN CREAM LIMITED

## Statement of Financial Position

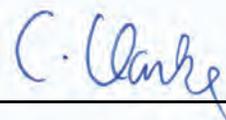
February 28, 2015

	<u>Notes</u>	<u>2015</u>	<u>2014</u>
<b>NON-CURRENT ASSET</b>			
Property, plant and equipment	3	394,047,280	368,664,901
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	1,756,896	6,441,419
Directors' current account	5(i)	2,025,849	-
Trade and other receivables	6	33,047,695	30,720,489
Inventories	7	79,993,317	66,158,455
Total current assets		<u>116,823,757</u>	<u>103,320,363</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	68,386,799	85,291,221
Taxation payable		898,293	4,575,007
Current portion of long-term loans	9	24,407,428	21,822,832
Bank overdraft	10	4,576,530	11,546,087
Directors' current account	5(ii)	-	5,595,209
Total current liabilities		<u>98,269,050</u>	<u>128,830,356</u>
Net current assets/(liabilities)		<u>18,554,707</u>	<u>( 25,509,993)</u>
Total assets less current liabilities		<u>\$412,601,987</u>	<u>343,154,908</u>
<b>NON-CURRENT LIABILITY</b>			
Long-term loans	9	125,829,649	113,148,870
<b>EQUITY</b>			
Share capital	11	111,411,290	111,411,290
Revaluation reserve	12	47,669,736	47,669,736
Accumulated profits		127,691,312	70,925,012
Total equity		<u>286,772,338</u>	<u>230,006,038</u>
Total non-current liability and equity		<u>\$412,601,987</u>	<u>343,154,908</u>

The financial statements on pages 3 to 26 were approved for issue by the Board of Directors on May 22, 2015 and signed on its behalf by:



**Carol Clarke-Webster**  
Director



**Christopher Clarke**  
Director

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

# CARIBBEAN CREAM LIMITED

## Statement of Profit or Loss and Other Comprehensive Income

Year ended February 28, 2015

	<u>Notes</u>	<u>2015</u>	<u>2014</u>
Gross operating revenue	13	1,012,860,965	855,568,026
Cost of operating revenue		<u>( 737,060,605)</u>	<u>(653,085,762)</u>
Gross profit		275,800,360	202,482,264
Other income		<u>2,497,610</u>	<u>1,136,047</u>
		<u>278,297,970</u>	<u>203,618,311</u>
Administrative, selling and distribution expenses:			
Administrative		<u>( 156,316,264)</u>	<u>(122,549,959)</u>
Selling and distribution		<u>( 38,184,264)</u>	<u>( 26,938,622)</u>
		<u>( 194,500,528)</u>	<u>(149,488,581)</u>
Operating profit before finance costs and taxation		83,797,442	54,129,730
Finance costs	14	<u>( 27,031,142)</u>	<u>( 18,368,557)</u>
Profit before taxation	15	56,766,300	35,761,173
Taxation	16	<u>          -</u>	<u>( 684,060)</u>
Profit, being total comprehensive income for the year		<u>\$ 56,766,300</u>	<u>35,077,113</u>
Earnings per stock unit	18	<u>\$ 0.15</u>	<u>0.10</u>

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

# CARIBBEAN CREAM LIMITED

## Statement of Changes in Equity

Year ended February 28, 2015

	Share capital	Revaluation reserve	Accumulated profits	Total
Balances as at February 28, 2013	42,275,013	44,700,752	28,909,452	115,885,217
Issue of shares	69,136,277	-	-	69,136,277
Profit, being total comprehensive income for the year	-	-	35,077,113	35,077,113
Reversal of deferred taxation	-	2,968,984	6,938,447	9,907,431
Balances as at February 28, 2014	111,411,290	47,669,736	70,925,012	230,006,038
Profit, being total comprehensive income for the year	-	-	56,766,300	56,766,300
Balances as at February 28, 2015	<u>\$111,411,290</u>	<u>47,669,736</u>	<u>127,691,312</u>	<u>286,772,338</u>

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

# CARIBBEAN CREAM LIMITED

## Statement of Cash Flows

Year ended February 28, 2015

	<u>Notes</u>	<u>2015</u>	<u>2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the year		56,766,300	35,077,113
Adjustments for:			
Depreciation	3	39,653,396	24,134,312
Interest expense	14	17,054,874	13,668,027
Loss on disposal of property, plant and equipment		<u>344,000</u>	<u>955,000</u>
Operating profit before changes in working capital		113,818,570	73,834,452
Trade and other receivables		( 2,327,206)	( 8,273,723)
Inventories		(13,834,862)	1,490,464
Trade and other payables		(16,904,422)	( 15,171,206)
Taxation paid		( 3,676,714)	( 7,106,896)
Interest paid		<u>(17,054,874)</u>	<u>( 13,668,027)</u>
Net cash provided by operating activities		<u>60,020,492</u>	<u>31,105,064</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of property, plant and equipment		-	800,000
Additions to property, plant and equipment	3	<u>(65,379,775)</u>	<u>(170,335,280)</u>
Net cash used by investing activities		<u>(65,379,775)</u>	<u>(169,535,280)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Issue of shares		-	69,136,277
Repayment of bank loans		(14,734,625)	( 12,994,942)
Proceeds from loans		30,000,000	64,000,000
Directors' current account		<u>( 7,621,058)</u>	<u>2,467,012</u>
Net cash provided by financing activities		<u>7,644,317</u>	<u>122,608,347</u>
Net increase/(decrease) in cash and cash equivalents		2,285,034	( 15,821,868)
Cash and cash equivalents at beginning of the year		( 5,104,668)	<u>10,717,200</u>
Cash and cash equivalents at end of the year		<u>\$( 2,819,634)</u>	<u>( 5,104,668)</u>
Comprised of:			
Cash and bank balances	4	1,756,896	6,441,419
Bank overdraft	10	<u>( 4,576,530)</u>	<u>( 11,546,087)</u>
		<u>\$( 2,819,634)</u>	<u>( 5,104,668)</u>

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

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements

February 28, 2015

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### 1. The company

Caribbean Cream Limited (the company) is incorporated and domiciled in Jamaica. The company's registered office is located at 3 South Road, Kingston 10, Jamaica.

The principal activities of the company are the manufacture and sale of ice cream, under the 'Kremi' brand, and the importation and distribution of certain types of frozen novelties.

The company's shares were listed on the Junior Market of the Jamaica Stock Exchange (JSE) on May 17, 2013.

At the reporting date, Scoops Unlimited Limited, a company incorporated and domiciled in Jamaica, and its directors controlled the company by virtue of their direct holding of 78% of the issued shares of the company.

### 2. Basis of preparation and significant accounting policies

#### (a) Statement of compliance:

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board, and comply with the provisions of the Jamaican Companies Act.

#### **New, revised and amended standards and interpretations effective during the year**

Certain new, revised and amended standards and interpretations came into effect during the current financial year. The adoption of those new standards and amendments did not have any impact on the company's financial statements.

#### **New, revised and amended standards and interpretations that are not yet effective**

At the date of approval of the financial statements, there were certain new standards, interpretations, and amendments to existing standards which were in issue but were not yet effective and which the company has not early adopted. Those which management considered may be relevant to the company and their effective dates are as follows:

- *Improvements to IFRS 2010-2012 and 2011-2013* cycles contain amendments to certain standards and interpretations and are effective for accounting periods beginning on or after July 1, 2014. The main amendments applicable to the company are as follows:
  - *IFRS 13 Fair Value Measurement* is amended to clarify that issuing of the standard and consequential amendments to IAS 39 and IFRS 9 did not intend to prevent entities from measuring short-term receivables and payables that have no stated interest rate at their invoiced amounts without discounting, if the effect of not discounting is immaterial.

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

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### 2. Basis of preparation and significant accounting policies (cont'd)

- (a) Statement of compliance (cont'd):

#### **New, revised and amended standards and interpretations that are not yet effective (cont'd)**

- *Improvements to IFRS 2010-2012 and 2011-2013 cycles (cont'd):*
  - IAS 16, Property, Plant and Equipment and IAS 38, Intangible Assets. The standards have been amended to clarify that, at the date of revaluation:
    - (i). the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset and the accumulated depreciation (amortization) is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking account of accumulated impairment losses, or
    - (ii). the accumulated depreciation (amortization) is eliminated against the gross carrying amount of the asset.
  - IAS 24, Related Party Disclosures have been amended to extend the definition of 'related party' to include a management entity that provides key management personnel services to the reporting entity, either directly or through a group entity. For related party transactions that arise when key management personnel services are provided to a reporting entity, the reporting entity is required to separately disclose the amounts that it has recognized as an expense for those services that are provided by a management entity; however, it is not required to 'look through' the management entity and disclose compensation paid by the management entity to the individuals providing the key management personnel services.
- IFRS 9, *Financial Instruments*, which is effective for annual reporting periods beginning on or after January 1, 2018, replaces the existing guidance in IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 includes revised guidance on the classification and measurement of financial assets and liabilities, including a new expected credit loss model for calculating impairment of financial assets and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. Although the permissible measurement bases for financial assets – amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL) - are similar to IAS 39, the criteria for classification into the appropriate measurement category are significantly different. IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model, which means that a loss event will no longer need to occur before an impairment allowance is recognized.
- IFRS 15, *Revenue from Contracts with Customers*, is effective for annual reporting periods beginning on or after January 1, 2017. It replaces IAS 11 *Construction Contracts*, IAS 18 Revenue, IFRIC 13 *Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate*, IFRIC 18 *Transfer of Assets from Customers* and SIC-31 *Revenue – Barter Transactions Involving Advertising Services*. The new standard applies to contracts with customers. However, it does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other IFRSs. It also does not apply if two companies in the same line of business exchange non-monetary assets to facilitate sales to other parties. Furthermore, if a contract with a customer is partly in the scope of another IFRS, then the guidance on separation and measurement contained in the other IFRS takes precedence.

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

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### 2. Basis of preparation and significant accounting policies (cont'd)

(a) Statement of compliance (cont'd):

#### **New, revised and amended standards and interpretations that are not yet effective (cont'd)**

- Amendments to IAS 16 and IAS 38, *Clarification of Acceptable Methods of Depreciation and Amortisation*, are effective for accounting periods beginning on or after January 1, 2016.
  - The amendment to IAS 16, *Property, Plant and Equipment*, explicitly states that revenue-based methods of depreciation cannot be used. This is because such methods reflect factors other than the consumption of economic benefits embodied in the assets.
  - The amendment to IAS 38, *Intangible Assets*, introduces a rebuttable presumption that the use of revenue-based amortisation methods is inappropriate for intangible assets.
- IAS 1, *Presentation of Financial Statements*, effective for accounting periods beginning on or after January 1, 2016, has been amended to clarify or state the following:
  - specific single disclosures that are not material do not have to be presented even if they are a minimum requirement of a standard.
  - the order of notes to the financial statements is not prescribed.
  - line items on the statement of financial position and the statement of profit or loss and other comprehensive income (OCI) should be disaggregated if this provides helpful information to users. Line items can be aggregated if they are not material.
  - specific criteria is now provided for presenting subtotals on the statement of financial position and in the statement of profit or loss and OCI, with additional reconciliation requirements for the statement of profit or loss and OCI.
  - the presentation in the statement of OCI of items of OCI arising from joint ventures and associates accounted for using the equity method follows IAS 1 approach of splitting items that may, or that will never, be reclassified to profit or loss.

The company is assessing the impact, if any, that adopting the foregoing standards, amendments and interpretations may have on the financial statements when they become effective.

(b) Basis of measurement and functional currency:

The financial statements are prepared on the historical cost basis, except for certain classes of property, plant and equipment which are carried at valuation, and are presented in Jamaican dollars, which is the functional currency of the company.

(c) Going concern:

The preparation of the financial statements in accordance with IFRS assumes that the company will continue in operational existence for the foreseeable future. This means, *inter alia*, that

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

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### 2. Basis of preparation and significant accounting policies (cont'd)

#### (c) Going concern (cont'd):

the statements of financial position and profit or loss and other comprehensive income assume no intention or necessity to liquidate the company or curtail the scale of its operations. This is commonly referred to as the going concern basis. Management is of the view that the going concern basis continues to be appropriate in the preparation of the financial statements.

#### (d) Use of estimates and judgements:

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of, and disclosures relating to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts could differ from those 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 and future periods if the revision affects both current and future periods.

Judgments made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below:

#### (i) Allowance for impairment losses on receivables:

In determining amounts recorded for impairment losses on receivables in the financial statements, management makes judgments regarding indicators of impairment, that is, whether there are indicators that suggest there may be a measurable decrease in the estimated future cash flows from receivables, for example, default and adverse economic conditions. Management also makes estimates of the likely estimated future cash flows of impaired receivables, as well as the timing of such cash flows. Historical loss experience is applied where indicators of impairment are not observable on individual significant receivables with similar characteristics, such as credit risks.

#### (ii) Net realisable value of inventories:

Estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the reporting date, to the extent that such events confirm conditions existing at the reporting date.

Estimates of net realisable value also take into consideration the purpose for which the inventory is held.

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

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### 2. Basis of preparation and significant accounting policies (cont'd)

(d) Use of estimates and judgements (cont'd):

(iii) Residual value and useful life of property, plant and equipment:

The residual value and the useful life of each asset are reviewed at least at each financial year-end, and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. The useful life of an asset is defined in terms of the asset's expected utility to the company.

It is reasonably probable, based on existing knowledge, that outcomes within the next financial year that are different from these assumptions could require a material adjustment to the carrying amount reflected in the financial statements.

(e) Property, plant and equipment:

(i) At cost:

Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Costs include expenditures that are directly attributable to the acquisition of the assets. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be reliably measured. The cost of day-to-day servicing of property, plant and equipment is recognised in profit or loss as incurred.

(ii) At revaluation:

Certain classes of machinery and equipment are stated at their revalued amounts being the fair value at the date of revaluation, less accumulated depreciation and accumulated impairment losses, if any. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using the fair values at the reporting date.

Any revaluation increase arising on the revaluation of such assets is credited to revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such assets is charged to profit or loss to the extent that it exceeds the balance, if any, held in revaluation reserve relating to a previous revaluation of that asset.

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

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### 2. Basis of preparation and significant accounting policies (cont'd)

(e) Property, plant and equipment (cont'd):

(iii) Depreciation:

Depreciation is recognised in profit or loss on the straight-line basis at annual rates estimated to write down the assets to their residual values over their expected useful lives. No depreciation is charged on construction in progress. The depreciation rates are as follows:

Buildings	5%
Leasehold improvement	10%
Machinery and equipment	10%
Motor vehicles	12.5%
Computer equipment	25%
Security systems	10%

Depreciation methods, useful lives and residual values are reassessed annually.

(f) Cash and cash equivalents:

Cash and cash equivalents comprise cash and bank balances. For the purpose of the statement of cash flows, bank overdraft that is repayable on demand and form an integral part of cash management activities, is included as part of cash and cash equivalents.

(g) Trade and other receivables:

Trade and other receivables are stated at amortised cost less impairment losses.

(h) Inventories:

Inventories are stated at the lower of cost, determined principally on a first-in-first-out (FIFO) basis, and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling costs.

(i) Trade and other payables:

Trade and other payables are stated at cost.

(j) Borrowings:

Borrowings are recognised initially at fair value, net of transaction costs incurred. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost, with any difference between proceeds (net of transaction costs) and redemption value being recognised in profit or loss over the period of the borrowings using the effective interest rate method.

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

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### 2. Basis of preparation and significant accounting policies (cont'd)

#### (k) Revenue:

Revenue from sale of goods represents the invoiced value of goods and services, and is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or material associated costs on the possible return of goods.

#### (l) Taxation:

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

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

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

A deferred tax liability is recognised for all taxable temporary differences except to the extent that the company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

#### (m) Related parties:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures* as the "reporting entity").

(a) A person or a close member of that person's family is related to a reporting entity if that person:

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

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### 2. Basis of preparation and significant accounting policies (cont'd)

#### (m) Related parties (cont'd)

##### (b) An entity is related to a reporting entity if any of the following conditions applies (cont'd):

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity.
  - (vi) The entity is controlled, or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (c) Related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

#### (n) Foreign currencies:

Foreign currency balances at the reporting date are translated at the exchange rates ruling at that date. Transactions in foreign currencies are converted at the exchange rates ruling at the dates of those transactions. Gains and losses arising from fluctuations in exchange rates are recognised in profit or loss.

For the purpose of the statement of cash flows, all foreign currency gains and losses are recognised in profit or loss and treated as cash items and included in the cash flows along with movement in the relevant balances.

#### (o) Impairment:

The carrying amounts of the company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

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### 2. Basis of preparation and significant accounting policies (cont'd)

#### (o) Impairment (cont'd):

##### (i) Calculation of recoverable amount:

The recoverable amount of the company's loans and receivables, carried at amortised cost, is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate inherent in the asset. Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

##### (ii) Reversals of impairment:

An impairment loss in respect of loans and receivables is reversed, if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

In respect of other assets, an impairment loss is reversed, if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

### 3. Property, plant and equipment

	Freehold land & buildings	Leasehold improvements	Motor vehicles	Machinery and equipment	Computer equipment	Construction in progress	Security system	Total
Cost or valuation:								
February 28, 2013	109,053,554	6,565,601	16,340,943	122,461,361	5,453,737	-	1,287,204	261,162,400
Additions	-	865,149	-	18,286,548	4,829,348	146,303,555	50,700	170,335,200
Disposals	-	-	-	(1,950,000)	-	-	-	(1,950,000)
February 28, 2014	109,053,554	7,430,750	16,340,943	138,797,909	10,283,085	146,303,535	1,337,904	429,547,680
Additions	-	-	-	16,219,966	431,729	48,728,080	-	65,379,775
Transfer	-	-	-	147,135,777	-	(147,135,777)	-	-
Disposals	-	-	-	(430,000)	-	-	-	(430,000)
February 28, 2015	109,053,554	7,430,750	16,340,943	301,723,652	10,714,814	47,895,838	1,337,904	494,497,455
Depreciation:								
February 28, 2013	12,839,339	656,560	5,174,191	14,155,879	3,651,241	-	466,257	36,943,467
Charge for the year	5,452,678	743,075	2,042,618	13,879,789	1,913,908	-	102,244	24,134,312
Disposals	-	-	-	(195,000)	-	-	-	(195,000)
February 28, 2014	18,292,017	1,399,635	7,216,809	27,840,668	5,565,149	-	568,501	60,882,779
Charge for the year	4,562,678	743,075	2,042,618	30,172,365	2,030,417	-	102,243	39,653,396
Disposals	-	-	-	(86,000)	-	-	-	(86,000)
February 28, 2015	22,854,695	2,142,710	9,259,427	57,927,033	7,595,566	-	670,744	100,450,175
Net book values:								
February 28, 2015 \$	<u>86,198,859</u>	<u>5,288,040</u>	<u>7,081,516</u>	<u>243,796,619</u>	<u>3,119,248</u>	<u>47,895,838</u>	<u>667,160</u>	<u>394,047,280</u>
February 28, 2014 \$	<u>90,761,537</u>	<u>6,031,115</u>	<u>9,124,134</u>	<u>110,957,241</u>	<u>4,717,936</u>	<u>146,303,535</u>	<u>769,403</u>	<u>368,664,901</u>

Certain assets of the company are pledged as securities for bank overdraft and other loans (see note 9).

### 4. Cash and cash equivalent

	2015	2014
Bank balances	1,615,896	6,300,421
Cash in hand	<u>141,000</u>	<u>140,998</u>
	<u>\$1,756,896</u>	<u>6,441,419</u>

### 5. Directors' current account

- (i) The amount due from director is unsecured, interest-free and repayable on demand.
- (ii) The amount due to director principally represents advances to the company to assist with working capital, and is unsecured, interest-free and repayable on demand.

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

### 6. Trade and other receivables

	<u>2015</u>	<u>2014</u>
Trade receivables	28,290,720	20,012,432
Less provision for impairment losses	( 813,690)	( 1,243,701)
	27,477,030	18,768,731
Prepayments and deposits	5,348,959	11,632,008
Other receivables	<u>221,706</u>	<u>319,750</u>
	<u>\$33,047,695</u>	<u>30,720,489</u>

The aging of trade receivables at the reporting date was:

	<u>2015</u>		<u>2014</u>	
	<u>Gross</u>	<u>Impairment</u>	<u>Gross</u>	<u>Impairment</u>
Not past due	1,655,565	-	-	-
Past due 30 days	21,265,720	-	17,456,271	-
Past due 60 days	4,639,501	83,756	815,243	-
Past due 90 days	87,650	87,650	497,217	-
Over 90 days	<u>642,284</u>	<u>642,284</u>	<u>1,243,701</u>	<u>1,243,701</u>
	<u>\$28,290,720</u>	<u>813,690</u>	<u>20,012,432</u>	<u>1,243,701</u>

The movement in the allowance for impairment losses as at the reporting date was:

	<u>2015</u>	<u>2014</u>
Balance at beginning of year	1,243,701	-
Amount written off, net of recoveries	( 430,011)	1,243,701
	<u>\$ 813,690</u>	<u>1,243,701</u>

During the year, other receivables of \$192,116 (2014: \$758,756) was written off to profit or loss as impairment losses.

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

### 7. Inventories

	<u>2015</u>	<u>2014</u>
Raw materials	56,505,587	33,844,206
Finished goods	19,279,193	28,277,966
Goods in transit	<u>4,208,537</u>	<u>4,036,283</u>
	<u>\$79,993,317</u>	<u>66,158,455</u>

During the year, inventories recognised in cost of operating revenue amounted to \$737,060,605 (2014: \$653,085,762), and inventories written off amounted to \$Nil (2014: \$Nil).

### 8. Trade and other payables

	<u>2015</u>	<u>2014</u>
Trade payables	49,679,914	64,397,667
Due to related party (note 17)	917,024	1,828,205
Other payables	<u>17,789,861</u>	<u>19,065,349</u>
	<u>\$68,386,799</u>	<u>85,291,221</u>

### 9. Long-term loans

	<u>2015</u>	<u>2014</u>
The following loans are with the Bank of Nova Scotia Jamaica Limited:		
(i) Demand loan	697,740	1,844,642
(ii) Demand loan– cold room construction	89,555,555	64,000,000
(iii) Demand loans – equipment	13,038,808	19,123,212
(iv) Mortgage loans – Suthermere Road and South Road	<u>46,944,974</u>	<u>50,003,848</u>
	150,237,077	134,971,702
Less current portion	( 24,407,428)	( 21,822,832)
	<u>\$125,829,649</u>	<u>113,148,870</u>

(i) This loan is repayable in monthly installments by 2016 with interest rates ranging from 8.95% to 14.75% per annum.

(ii) Repayable in monthly installments by October 2020 with fixed interest rate of 9.5% per annum.

(iii) Repayable in monthly installments by 2017 with interest rates ranging from 8.95 to 9.95% per annum.

(iv) Mortgage repayable in monthly installments by 2027 with interest rate at 15.75% per annum.

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

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### 9. Long-term loans (cont'd):

Bank overdraft and loans from the Bank of Nova Scotia Jamaica Limited are secured by the following:

- (a) First legal mortgage stamped for \$35,000,000 over commercial properties located at 2A & 2D Suthermere Road, Kingston, Vols. 1293, 1288 and Folios 575, 348.
- (b) Stamped collateral to assignment of Sagicor Life Insurance Policies on the life of a director with face value \$36,500,000.
- (c) First legal mortgage stamped for \$50,000,000 over commercial property located at 3 South Road Kingston 10, St. Andrew Vol. 1101 and Folio 714.
- (d) Second legal mortgage stamped for \$4,800,000 over property located at Braemar Avenue Kingston 10, St. Andrew Vol. 1402 and Folio 485, registered in the name of a director.
- (e) Peril Insurance over real estate at Suthermere Road and real estate and equipment at South Road.
- (f) Bills of sale over motor vehicles and equipment owned by the company.
- (g) Guarantees by a director.

### 10. Bank overdraft

The company has a bank overdraft facility of \$13 million (2014: \$13 million), which attracts interest of 15.75% (2014:17.5%) per annum. See note 9 for information on securities.

### 11. Share capital

	<u>2015</u>	<u>2014</u>
Authorised: 5,100,000,000 ordinary shares of no par value		
Issued and fully paid: 378,568,115 ordinary shares of no par value	<u>\$111,411,290</u>	<u>111,411,290</u>

### 12. Revaluation reserve

This represents unrealised surplus on revaluation of certain property, plant and equipment.

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

### 13. Gross operating revenue

Gross operating revenue represents the invoiced value of sales, after deduction of returns, discounts allowed, and General Consumption Tax.

### 14. Finance cost

	<u>2015</u>	<u>2014</u>
Bank and other charges	4,589,886	4,005,575
Interest expense	17,054,874	13,668,027
Commitment fees	219,371	2,045,947
Net foreign exchange transaction loss/(gain)	<u>5,167,011</u>	<u>( 1,350,992)</u>
	<u>\$27,031,142</u>	<u>18,368,557</u>

### 15. Disclosure of expenses

Profit before taxation is stated after charging/(crediting):

	<u>2015</u>	<u>2014</u>
	\$	\$
Depreciation (note 3)	39,653,396	24,134,312
Directors' emoluments - Fees	2,298,944	1,174,781
- Management remuneration	7,995,000	7,145,000
Staff costs (note 19)	125,673,684	98,098,336
Impairment losses, net	( 430,011)	1,243,701
Auditors' remuneration	<u>1,400,000</u>	<u>900,000</u>

### 16. Taxation

(a) The taxation charge is based on the profit for the year, as adjusted for income tax purposes, and is made up as follows:

	<u>2015</u>	<u>2014</u>
Current tax charge at 25% (2014: 25%)	\$ <u>-</u>	<u>678,851</u>

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

### 16. Taxation (cont'd)

#### (b) Reconciliation of effective tax rate:

	<u>2015</u>	<u>2014</u>
Profit before taxation	\$ <u>56,766,300</u>	<u>35,761,173</u>
Computed 'expected' tax at 25% (2014: 25%)	14,191,575	8,940,293
Difference between profit for financial statements and tax reporting purposes on:		
Expenses not deductible for tax purposes	10,735,323	815,164
Net effect of other charges and allowances	( 5,955,479)	( 6,471,971)
Remission of income taxes [see note 16 (c)]	(18,971,419)	( 2,599,426)
Actual tax credit	\$ <u>          -</u>	<u>684,060</u>

(c) The company's shares were listed on the Junior Market of the Jamaica Stock Exchange (JSE) on May 17, 2013. Consequently, the company is eligible for remission of income taxes for a period of ten years, provided the following conditions are met:

- (i) The company's shares remain listed for at least 15 years and is not suspended from the JSE for any breaches of its rules.
- (ii) The subscribed participating voting share capital of the company does not exceed \$500 million.
- (iii) The company has at least 50 participating voting shareholders:

The remission will apply in the following proportions:

(a) Years 1 to 5 (May 17, 2013 – May 16, 2018) – 100%

(b) Years 6 to 10 (May 17, 2018 – May 16, 2023) – 50%

The financial statements have been prepared on the basis that the company will have the full benefit of the tax remissions.

### 17. Related party balances and transactions

The statements of financial position, and profit or loss and other comprehensive income include balances and transactions arising in the ordinary course of business during the year, with related parties as follows:

	<u>2015</u>	<u>2014</u>
	\$	\$
(i) Due to related party, Scoops Unlimited Limited (note 8)	917,024	1,828,205
(ii) Director's current account (note 5)	2,025,849	( 5,595,209)
(iii) Staff loan	159,882	-
(iv) Sale of ice cream	55,386,888	54,575,754
Purchase of raw material	-	(34,825,298)
Equipment rental	<u>          -</u>	<u>( 774,500)</u>

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

### 18. Earnings per share

Earnings per share is computed by dividing the profit for the year by the number of shares (2014: weighted average number of shares) in issue for the year of 378,568,115 (2014: 362,794,444).

### 19. Staff cost

	<u>2015</u>	<u>2014</u>
Salaries – direct labour	58,790,856	53,681,719
Employer’s statutory contribution	9,661,794	7,468,897
Salaries – wages and staff benefits	<u>57,221,034</u>	<u>36,947,720</u>
	<u>\$125,673,684</u>	<u>98,098,336</u>

### 20. Capital commitments

At the reporting date, the company has capital expenditure commitments but not yet contracted for, of \$Nil (2014: \$8.5 million).

### 21. Financial risk management

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

The company has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk, which include interest rate risk and currency risk. This note presents information about the company’s exposure to each of the above risks, the company’s objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the company’s risk management framework.

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

#### (a) Credit risk:

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally on trade and other receivables and cash and cash equivalents. There is no significant concentration of credit risk and the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

#### (i) Accounts receivable

The company’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the company’s customer base has less of an influence on credit risk.

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

### 21. Financial risk management (cont'd)

#### (a) Credit risk (cont'd):

##### (i) Accounts receivable (cont'd):

A credit policy has been established under which each new customer is analysed individually for creditworthiness. Credit is granted to customers on the approval of management. During the credit approval process, the customer is assessed for certain indicators of possible delinquency. In monitoring customer credit risk, customers are grouped according to the ageing of their debt.

The company does not require collateral in respect of trade and other receivables.

The company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The allowances for doubtful debts are based on the ageing of the receivables.

##### (ii) Cash and cash equivalents

The company limits its exposure to credit risk by maintaining these balances with financial institutions considered to be stable and only with counterparties that are appropriately licensed and regulated. Management does not expect any counterparty to fail to meet its obligations.

There was no change to the company's exposure to credit risk during the year, or the manner in which it measures and manages the risk.

#### (b) Liquidity risk:

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid resources to meet its financial liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Liquidity risk may result from an inability to sell a financial asset at, or close to, its fair value.

The following are the contractual maturities of financial liabilities measured at amortised cost. The tables show the undiscounted cash flows of non-derivative financial liabilities, including interest payments, based on the earliest date on which the company can be required to pay.

	Carrying amount	Contractual cash flows	2015		
			Less than 1 year	2 to 5 years	over 5 years
Bank overdraft	4,576,530	4,576,530	4,576,530	-	-
Loans	150,237,077	227,908,290	39,248,616	121,907,115	66,752,559
Trade and other payables	68,386,799	68,386,799	68,386,799	-	-
	<u>\$223,200,406</u>	<u>300,871,619</u>	<u>112,211,945</u>	<u>121,907,115</u>	<u>66,752,559</u>

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

### 21. Financial risk management (cont'd)

#### (b) Liquidity risk (cont'd):

	Carrying amount	Contractual cash flows	2014		
			Less than 1 year	2 to 5 years	over 5 years
Bank overdraft	11,546,087	11,546,087	11,546,087	-	-
Directors' current account	5,595,209	5,595,209	5,595,209	-	-
Loans	134,971,702	163,518,832	25,606,687	82,120,543	55,791,602
Trade and other payables	85,291,221	85,291,221	85,291,221	-	-
	<u>\$237,404,219</u>	<u>265,951,349</u>	<u>128,039,204</u>	<u>82,120,543</u>	<u>55,791,602</u>

There was no change to the company's exposure to liquidity risk during the year, or the manner in which it measures and manages the risk.

#### (c) Market risk:

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

##### (i) Currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company is exposed to currency risk on transactions that are denominated in a currency other than its functional currency. The main currency giving rise to this risk are the United States dollar (US\$).

The company ensures that the risk is kept to an acceptable level by monitoring its risk exposure and by maintaining funds in US\$ as a hedge against adverse fluctuations in exchange rates.

Exposure to currency risk:

The company's exposure to foreign currency risk at the reporting date was as follows:

	2015			2014	
	J\$ Equivalent	US\$	CDN\$	J\$ Equivalent	US\$
Financial assets	1,378,799	6,857	6,365	2,444,259	22,561
Financial liabilities	(23,887,981)	(159,235)	(57,500)	(23,758,420)	( 219,295)
Net liabilities	<u>(22,509,182)</u>	<u>(152,378)</u>	<u>(51,135)</u>	<u>(21,314,161)</u>	<u>( 196,734)</u>

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

### 21. Financial risk management (cont'd)

#### (c) Market risk (cont'd)

##### (i) Currency risk (cont'd):

Sensitivity analysis:

Exchange rates in terms of the US\$ to the Jamaica dollar were US\$1: J\$115.40 (2014: US\$1: J\$108.34).

A 10% (2014: 10%) weakening of the US\$ and CDN\$ against the J\$ would increase profit for the year by \$2,230,618 (2014: \$2,100,000).

A 1% (2014: 1%) strengthening of the US\$ and CDN\$ against the J\$ would decrease profit for the year by \$223,062 (2014: \$210,000). The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is done on the same basis as for 2014.

##### (ii) Interest rate risk:

Interest rate risk is the risk that the value or cash flows of a financial instrument will fluctuate due to changes in market interest rate.

The company minimises interest rate risk by investing mainly in fixed rate instruments and contracting liabilities at fixed rates, where possible. The company's interest rate risk arises mainly from bank loans.

At the reporting date, the interest profile of the company's interest-bearing financial instruments was:

	Carrying amount	
	2015	2014
Fixed rate:		
Financial assets	1,756,896	6,441,419
Financial liabilities	(154,813,607)	(146,517,789)
	<u>\$(153,056,711)</u>	<u>(140,076,370)</u>

Fair value sensitivity analysis for instruments:

The company does not account for any financial instrument at fair value, therefore a change in interest rates at the reporting date would not affect the carrying value of the company's financial instruments.

Cash flow sensitivity analysis for variable rate instruments:

The company does not have any significant cash flow exposure to changes in rates because the majority of the loans are at fixed rates of interest and those at variable rates are insignificant.

# CARIBBEAN CREAM LIMITED

## Notes to the Financial Statements (Continued)

February 28, 2015

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### 21. Financial risk management (cont'd)

#### (d) Capital management:

The Board seeks to maintain a strong capital base so as to maintain stakeholders' confidence. The company defines capital as total equity. There were no changes in the company's approach to capital management during the year.

The company is not subject to any externally-imposed capital requirements, except as shown in note 16(c).

#### (e) Fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market price is used to determine fair value where an active market exists as it is the best evidence of the fair value of a financial instrument. The company has no financial instrument that is carried at fair value and where fair value of financial instruments approximates carrying value, no fair value computation is done.

The carrying values reflected in the financial statements for cash and cash equivalent, trade and other receivables, bank overdraft, trade and other payables, and directors' current account are assumed to approximate fair value due to their relatively short-term nature.

The fair value of long-term loans is assumed to approximate carrying value as the loans bear interest at market rates and all other terms are at market.

CARIBBEAN CREAM LIMITED

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# SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS

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Year ended 28 February 2015

# Trading and Operating Account

Year ended 28 February 2015

	<u>2015</u>	<u>2014</u>
Gross operating revenue	<u>1,012,860,965</u>	<u>855,568,026</u>
Less cost of operating revenue:		
Opening inventories	66,158,455	67,648,918
Purchases	<u>750,895,467</u>	<u>651,595,299</u>
	817,053,922	719,244,217
Closing inventories	<u>( 79,993,317)</u>	<u>( 66,158,455)</u>
	<u>737,060,605</u>	<u>653,085,762</u>
Gross profit	<u>275,800,360</u>	<u>202,482,264</u>
Other income:		
Rental income	2,324,157	1,021,500
Miscellaneous income	<u>173,453</u>	<u>114,547</u>
	<u>2,497,610</u>	<u>1,136,047</u>
	278,297,970	203,618,311
Administrative expenses (Page 50)	<u>( 156,316,264)</u>	<u>(122,549,959)</u>
Selling and distribution expenses (Page 50)	<u>( 38,184,264)</u>	<u>( 26,938,622)</u>
Operating profit before finance cost and taxation	<u>\$ 83,797,442</u>	<u>54,129,730</u>

# CARIBBEAN CREAM LIMITED

## Administrative and Selling and Distribution Expenses

February 28, 2015

	<u>2015</u>	<u>2014</u>
Administrative:		
Accounting fees	8,143,620	12,466,118
Audit fees	1,400,000	900,000
Bad debts	192,116	756,756
Cleaning and sanitation	10,819,125	6,148,666
Courier expenses	1,347,413	1,291,533
Depreciation	11,178,881	3,396,107
Directors' remuneration	10,293,944	8,319,781
Insurance	5,640,047	4,894,913
Legal and professional fees	5,044,360	6,530,671
Loss on disposal of property, plant and equipment	344,000	955,000
Printing and stationery	2,219,616	2,506,617
Miscellaneous expenses	12,325	737,890
Office expenses	1,857,226	1,385,494
Property and asset taxes	499,500	308,281
Rental expenses	3,805,130	5,955,488
Repairs and maintenance	6,076,894	6,104,811
Secretarial fees	718,000	581,000
Salaries, wages and statutory contributions	66,882,828	44,416,617
Security	13,477,608	11,615,786
Subscriptions and donations	404,933	777,503
Utilities	5,958,698	1,257,226
Provision for doubtful debt	-	1,243,701
	<u>\$156,316,264</u>	<u>122,549,959</u>
Distribution cost:		
Advertising and promotion	17,395,643	6,096,251
Licenses and permits	102,900	255,418
Motor vehicle expenses	14,639,083	12,561,179
Subsistence allowance	805,361	-
Travelling and entertainment	1,077,949	1,697,424
Transportation and delivery	4,163,328	6,328,350
	<u>\$ 38,184,264</u>	<u>26,938,622</u>

## Advisers

### External Auditors

KPMG  
The Victoria Mutual Building  
6 Duke Street  
Kingston

### Internal Auditors

Ernst & Young  
8 Oliver Road  
Kingston 8

### Attorneys-at-Law

Williams & Young  
47E Old Hope Rd  
Kingston 5

### Registrar & Secretarial Agents

Jamaica Central Securities Depository  
40 Harbour Street  
Kingston

### Bankers

Bank of Nova Scotia Jamaica Limited

### Company Secretary

Denise Douglas



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## Highlights from Kremi's participation in the 2014 JMA-JEA Expo:

1. Christopher Clarke (second left) greets Milton Samuda, Chairman of JAMPRO, while David Radlein (left) and Arnaldo Brown (right), Minister of State in the Ministry of Foreign Affairs and Foreign Trade look on.
2. (from left) William Mahfood, current President of the Private Sector Organization of Jamaica; Christopher Clarke, Chief Executive Officer of Caribbean Cream Limited Ltd; Christopher Zacca, Past President of the Private Sector Organization of Jamaica and David Radlein, Chief Marketing Officer, Caribbean Cream Ltd.
3. (from left) Diane Edwards, JAMPRO President and the Hon. Wykeham McNeill, Minister of Tourism and Entertainment.
4. Christopher Clarke (left) and David Radlein at the Kremi booth.







Newly rebranded Kremi outlet  
at Savannah Plaza on Constant  
Spring Road.



**Caribbean Cream Ltd.**

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