Jamaica Producers Group LIMITED 2000

Notes to the Financial Statement

1. The company

   The company is incorporated under the Laws of Jamaica and these financial statements are presented in jamaican dollars.

   The main activities of the company and its subsidiaries, as listed, are the cultivation, marketing and distribution of bananas and other fresh produce locally and overseas, juice manufacturing and distribution, shipping and the holding of investments. The average number of employees was 296 (1999:223) for the company and 2,989 (1999: 3,262) for the group.

   Two parties are considered to be related when:

   (a) one party is able to exercise control or significant influence over the other party; or

   (b) both parties are subject to common control or significant influence from the same source.

2. Significant accounting policies

   (a) Accounting convention:

       The financial statements are prepared under the historical cost convention, except for the inclusion of certain fixed assets at valuation and comply with the accounting standards issued by the Institute of Chartered Accountants of Jamaica and the requirements of the Companies Act.

(b) Basis of consolidation:

The consolidated financial statements include the financial statements of the company and all subsidiaries, made up to December 31, 2000.

Associated companies, as listed, are reported on the equity basis (see note 7). An associated company is one in which the group is deemed to exert significant influence by virtue of its interest in 20% or more of the equity voting rights.

All significant inter-company transactions are eliminated.

Goodwill arising on the acquisition of the subsidiaries is written off directly to reserves in the year in which it arises.

The company, its subsidiary and associated companies are collectively referred to as the "Group".

(c) Determination of profit and loss:

Profit is determined as the difference between the revenues from the goods and services rendered and the costs and other charges incurred during the year. Profits on transactions are taken in the year in which they are realised. A transaction is realised at the moment of delivery. Losses are taken in the year in which they are realised or predeterminable.

(d) Use of estimates:

Management made a number of estimates and assumptions relating to the reporting of income, expenses, assets and liabilities and the disclosure of contingent assets and liabilities to prepare the financial statements in conformity with generally accepted accounting principles. Actual results could differ from those estimates.

(e) Depreciation:

Fixed assets, with the exception of freehold land on which no depreciation is provided, are depreciated on a straight line basis at annual rates, varying between 2% and 50%, estimated to write off the assets over their expected useful lives. Computer equipment is depreciated on a straight line basis at 33 1/3% and 100% per annum.

Assets acquired under finance leasing arrangements in the United Kingdom are included at cost, less accumulated depreciation calculated in accordance with the accounting policy set out above. After deducting interest attributable to future periods, the net amount payable is included in accounts payable.

(f) Inventories:

Inventories are valued at the lower of cost, determined principally on a first-in first-out basis, and net realisable value.

(g) Foreign currencies:

The group's foreign assets and liabilities are translated at £ 1 to J$65.43 (1999: J$64.46) and US$1 to J$45.30 (1999: J$41.16), being the buying rates of exchange ruling at the balance sheet date. Items in the foreign subsidiaries' profit and loss account are translated at an average rate of £1.00 to J$62.07 (1999: J$60.11) and US$1 to 43.17 (1999: J$ 38.48) being the average rates of exchange ruling for the year.

Other transactions in foreign currencies are converted at the rates of exchange ruling at the date of those transactions.

Gains and losses arising from translating income statement items are included in the profit and loss account. Unrealised portions of such gains are ultimately transferred to capital reserve. Exchange differences arising on other changes to shareholders' interests are reflected in capital reserves (see note 12).

(h) Deferred taxation:

Deferred taxation is provided in respect of timing differences and revaluation surpluses only where there is a reasonable probability that a liability will become payable within the foreseeable future. Provision is made at the average rate of tax expected to prevail when the liabilities crystalise. Should a potential asset arise, the amount is not recorded in the accounts.

(i) Pension costs:

The company and some group companies operate pension schemes (see note 20) and the assets of the schemes are held separately from those of the companies, except as disclosed in note 20. Contributions to the schemes are charged to the group profit and loss account.

(j) Development expenses:

The costs of development of the banana plantations are capitalised up to maturity (see note 9); costs thereafter are expensed. Capitalised costs of the mature banana plantations are amortised over a period of twenty years.

3. Accounts receivable

Accounts receivable includes $206,000 (1999: $177,000) for the company and the group in respect of advances made to directors of the company in the ordinary course of business. Accounts receivable is stated net of provision for doubtful debts of $29,593,000 (1999: $26,249,000) for the company and $113,999,000 (1999: $131,774,000) for the group.

4. Inventories

	Company		Group	
	2000	1999	2000	1999
	$'000	$'000	$'000	$'000
Produce, processed goods and packing materials	47,420	20,989	314,174	217,160
Merchandise	-	34,169	-	34,169
Bunker oil	-	-	21,665	17,409
Spare parts and others	1,888	820	4,448	56,927
	49,308	**55,978**	**340,287**	**325,665**

5. Bank overdrafts and demand loans

The overdraft facility of the company is unsecured.

The overdraft facility of a UK subsidiary is secured on that company's freehold property and by a fixed and floating charge over its assets. Interest is charged at between 1 1/2% and 2% above base rate.

6. Accounts payable

Accounts payable for the company and the group includes $15,000 (1999: $110,000) due to directors of the company, and $123,305,000 (1999: $73,226,000) due to the pension scheme (see note 20) and for the group includes $Nil (1999: $2,965,000) which is secured against certain items of plant and motor vehicles of a subsidiary.

7. Interest in subsidiary and associated companies

	Company		Group	
	2000	1999	2000	1999
	$'000	$'000	$'000	$'000
Subsidiary companies:				
Shares, at cost, less amounts written off	515,054	515,054	-	-
Loan accounts	152,893	26,184		
Current accounts	262,900	294,653		
	930,847	835,891	-	-
Associated companies:				
Shares, at cost, less amounts written off	5,319	5,319	23,297	23,031
Group's share of reserves	-	-	29,919	30,468
Loan accounts	65,941	62,914	70,456	62,914
Current accounts	2,611	691	7,353	7,281
	73,871	68,924	131,025	123,694
	1,004,718	**904,815**	**131,025**	**123,694**

An associated company, Balmoral Banana Company Limited, has its year end at October 31 each year, while another, Belvedere Limited has its year end at June 30 each year. Cia Bananera del Tropico JP, S.A. and its wholly-owned subsidiaries (see page 34) have their year-end at September 30 each year. The consolidated profit and loss account includes the group's share of profit/loss of these companies, Jamaica Producers Marketing (USA) Inc. and Aqualapia Limited, based on the management accounts for the year ended December 31, 2000. The results of these companies are insignificant in relation to the group.

8. Investments

	Company		Group	
	2000	1999	2000	1999
	$'000	$'000	$'000	$'000
At cost, less provision for diminution in value:				
Quoted - long term	349,279	347,029	379,209	353,380
Unquoted - trade	5	5	12	12
- long term	46,527	46,460	60,288	59,385
Government Securities	-	-	70,372	63,941
Long term receivables:				

Deposits	-	-	-	1,948
Mortgage loans for staff housing	-	-	35	35
National Housing Trust recoverable in the years 2001/4	39	39	76	76
General Consumption Tax	397	1,601	500	1,601
Loan to Employee Share Ownership Plan (ESOP)	98,445	105,000	98,455	105,000
	494,692	500,134	698,947	585,378
Estimated market value of quoted investments	567,155	591,596	597,197	597,812

Market values of quoted investments are computed based on quotations received from stockbrokers. The number of stock units held by ESOP at December 31, 2000 was 16,091,607 (1999: 16,091,607) (see note 11).

9. Fixed assets

	Freehold land and building $'000	Leasehold land and buildings $'000	Furniture, equipment & vehicles $'000	Work-in-progress $'000	Total $'000
Company					
At cost:					
December 31, 1999	48,082	30,445	109,916	39,553	227,996
Additions	-	1,727	25,366	27,815	54,908
Disposals	-	-	(2,495)	-	(2,495)
Transfer	-	-	20,070	(20,070)	-
December 30, 2000	48,082	32,172	152,857	47,298	280,409
Depreciation:					
December 31,1999	6,525	8,621	41,190	-	56,336
Charge for the year	988	1,715	18,473	-	21,176
Eliminated on disposals	-	-	(2,314)	-	(2,314)
December 30, 2000	7,513	10,336	57,349	-	75,198
Net book values:					
December 31, 2000	40,569	21,836	95,508	47,298	205,211
December 31, 1999	41,557	21,824	68,726	39,553	171,660

	Freehold land and buildings $'000	Leasehold land, buildings and farm development costs $'000	Furniture, equipment & vehicles $'000	Total $'000
(b) Group				
December 31, 1999	442,642	948,683	1,650,564	3,041,889
Additions	12,609	156,684	179,217	348,510
Disposals	-	(60,664)	(59,701)	(120,365)
Exchange gains	6,290	6,363	21,194	33,847
December 31, 2000	461,541	1,051,066	1,791,274	3,303,881
At cost	328,764	512,698	1,704,221	2,545,683
At valuation	132,777	538,368	87,053	758,198
	461,541	1,051,066	1,791,274	3,303,881
Depreciation:				
December 31, 1999	74,084	264,341	921,854	1,260,279
Charge for the year	11,644	32,708	163,033	207,385
Eliminated on disposals	-	(19,335)	(43,312)	(62,647)
Exchange losses	1,514	1,433	12,914	15,861
December 31, 2000	87,242	279,147	1,054,489	1,420,878
Net book values:				
December 31, 2000	374,299	771,919	736,785	1,883,003
Projects-in-progress				76,457
				1,959,460
December 31, 1999	368,558	684,342	728,710	1,781,610
Projects-in-progress				109,845
				1,891,455

	Company		Group	
	2000 $'000	1999 $'000	2000 $'000	1999 $'000
Freehold land and buildings include land as follows:				
At valuation	-	-	138,053	123,217

Director's allocation of cost	4,507	4,507	4,857	4,857
At cost	21,659	21,659	47,383	46,737
Total land	26,166	26,166	190,293	174,811
Leasehold land and buildings include:				
Infrastructure - at cost	-	-	103,423	54,627
- at director	-	-	77,245	77,245
Farm developments costs	-	-	141,103	109,844
Furniture, equipment and vehicles, include:				
Assets purchased under finance leases (see note 10)	-	-	-	128,531

The freehold land and leasehold properties of two subsidiary companies are included at $448,547,000 (1999: *$441,872,000) being December 31, 1990 Open Market valuation and $7,146,000 being October 1990 valuation. The resultant surplus and accumulated depreciation have been taken to capital reserves (see note 12) and minority interests.

Fixed assets of two subsidiary companies are shown at 1989 and 1992 valuation of $264,263,000 (1999: $264,263,000).

The company has given undertakings not to encumber real estate held at 6A Oxford Road.

10. Long term loans

	Company		Group	
	2000 $'000	1999 $'000	2000 $'000	1999 $'000
(a) Bank loan	-	-	32,717	45,120
(b) Mortgage loan	-	-	15,572	17,212
(c) Bank loan	-	-	28,007	31,199
(d) Rehabilitation loans	-	-	13,400	49,144
(e) Bank loan	-	-	26,696	28,442
(f) Finance lease obligations (see note 9)	-	-	6,830	19,918
(g) Jamaica Exporters Association (JEA)	22,651	-	22,651	-
	22,651	-	145,873	191,035
Less current maturities	-	-	(32,149)	(40,832)

22,651	-	113,724	150,203

(a) The bank loan is in UK Sterling (£), is secured by a fixed charge over a subsidiary company's freehold land and buildings, is payable at £50,000 per quarter over approximately seven years which commenced in 1996 and bears interest at 1 1/4% (1999: 1 1/4%) over the National Westminster Bank plc. base lending rate.

(b) The mortgage loan is in UK Sterling (£), is secured on a subsidiary company's freehold land and buildings and a guarantee from the company and is repayable at:£22,000 per annum over 15 years from April 1994 at 2 1/4% above Lombard North Central plc. base interest rate.

(c) The bank loan is in UK Sterling (£), is secured by a fixed charge over a subsidiary company's freehold land and buildings and by a fixed and floating charge on its operating assets, is repayable at:£42,000 per annum over approximately ten years from May 1998 and bears interest at 1.75% over Barclays Bank plc. base lending rate.

(d) The rehabilitation loans received during 1998 are payable over three to five year periods by quarterly installments after a moratorium period of one year. The loans are to be secured on the assets that were purchased from the proceeds. During the year, 75% of the loans were converted to grants and made interest free, retroactive to their commencement.

(e) The bank loan is in UK Sterling (£), is secured over a subsidiary company's freehold land and building and by a fixed and floating charge on its operating assets, and is repayable at £34,000 per annum over approximately fifteen years from January 1999 and bears interest at 1.75% over LIBOR.

(f) The JEA Loan which is denominated in US dollars was received during the year and is secured by a bank guarantee, is repayable over five years from disbursement, with a moratorium on principal for two years. Interest is charged at 3% per annum.

11. Share capital

	Company and Group	
	2000	1999
Authorised:	$'000	$'000
500,000,000 ordinary shares of 10¢ each	50,000	50,000
Issued and fully paid:		
187,024,006 ordinary stock units of 10¢ each (see note 8)	18,702	18,702

12. Reserves

	Company		Group	
	2000	1999	2000	1999
	$'000	$'000	$'000	$'000
Capital:				
Share premium	135,087	135,087	135,087	135,087
Other:				
At beginning of year	1,642,752	937,399	1,505,255	1,510,079
Exchange gains [see note 2 (g)]	-	-	19,579	109,885
Goodwill	-	-	(20,631)	-
Transfer (to/from profit and loss account:				
Unclaimed dividends	12,691	11,254	12,691	11,254
Unrealised exchange gains/(losses)	17,085	(4,704)	5,327	(3,852)
Revaluation surplus	-	-	-	(39,820)
Capital distribution received	40	781,094	40	-
Capital distribution paid (gross)	(82,291)	(82,291)	(82,291)	(82,291)
At end of year	1,590,277	1,642,752	1,439,970	1,505,255
Total capital	1,725,364	1,777,839	1,575,057	1,640,342
Revenue:				
Retained profits at end of year	10,908	16,909	1,276,423	1,201,683
	1,736,272	1,794,748	2,851,480	2,842,025

Retained profits at December 31, 2000 include:

(a) $32,407,000 (1999: $20,747,000) for the company and $32,408,000 (1999: $20,748,000) for the group of franked income available for distribution.

(b) Incentive profits of $47,195,000 (1999: $47,195,000) for the company and $358,090,000 (1999: $290,734,000) for the group, which can be distributed to local stockholders without deduction of tax.

13. Gross operating revenue

Gross operating revenue comprises investment income, the gross sales of goods and services of the group and commission earned by the group on consignment sales. This is shown after deducting returns, U.K. value added tax and Jamaican General Consumption Tax.

14. Disclosure of expenses/(income)

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

	2000 $'000	1999 $'000
Directors' emoluments:		
Fees	826	846
Management	41,371	40,776
Auditors' remuneration	14,024	12,923
Staff costs	1,031,933	950,595
Interest - long-term loans	9,281	12,148
- other	17,311	10,772
- income	(66,661)	(94,319)
Loss/(profit) on disposal of fixed assets	6,912	(21,059)
Dividends received - quoted (gross)	(21,830)	(15,483)
- capital distribution (gross)	(40)	(62)
(Decrease)/increase in provision for diminution	(2,319)	8,026

15. Taxation

Taxation is based on the profit for the year adjusted for tax purposes and is made up as follows:

	2000 $'000	1999 $'000
Income tax @ 33 1/3%	1	1
Transfer tax 9 7 1/2%	2	4
Taxation on share of profits of associated companies	-	430
United Kingdom Corporation tax @ 30% (1999:31%)	58,704	96,929
Corporation tax (other than U.K.)	153	-
	58,860	97,364
Deferred taxation	2,356	4,383
	61,216	101,747
Adjustment in respect of previous years	(6,046)	(24,753)
	55,170	76,994

(a) The charge for Jamaica's income tax is 33 1/3% of the profit for the year, adjusted for tax purposes. The effective tax rate for 2000 was 37.60% (1999: 26.50%) of $146,741,000 (1999:

$290,547,000) pre tax profits compared to the statutory tax rate of 33 1/3% (1999: 33 1/3%). The actual expense differed from the "expected" tax expense for those years as follows:

	2000 $'000	1999 $'000
Computed "expected" tax expense	48,914	120,935
Taxation difference between profit for financial statements and tax reporting purposes on -		
Overseas taxation	(6,523)	(7,826)
Tax losses	(2,397)	(18,063)
Government of Jamaica loan interest	(1,583)	(1,836)
Disallowed expenses, depreciation and other related capital adjustments	16,759	(16,216)
Actual tax expense	55,170	76,994

(b) Four subsidiary companies operated under relief from taxation on agricultural income as follows:

Company	Income Tax Order	Effective dates From	TO
Eastern Banana Estates Limited	Income Tax (Approved Farmer) (No. 3) Order 1993	1992	2001
Victoria Banana Estates Limited	Income Tax (Approved Farmer) (Victoria Banana Company Limited) (No.4) Order 1995	1996	2003
St. Mary Banana Estates Limited	Income Tax (Approved Farmer) (No. 3) Order 1993	1992	2001
Agualta Vale Limited	Income Tax (Approved Farmer) Order of 1984 and 1990	1990	2000

(c) Tax losses available, subject to agreement of the Commissioner of Taxpayer Audit and Assessment, for offset against future profits amounted to approximately $45,513,000 (1999: $25,318,000) for the company and $542,388,000 (1999: $549,578,000) for the group.

16. Extraordinary items, less taxation

	2000 $'000	1999 $'000
Closure and reorganisation costs - Jamaica	4,888	31,561
- UK	-	1,041
- Jamaica	-	2,000
Redundancy costs	4,888	34,602
Add taxation credit	-	2,329
	4,888	36,931

Closure and redundancy costs were incurred as part of the group's restructuring and rationalisation exercise.

17. Profit for the year attributable to the group

Profit dealt with in the financial statements of the parent company $11,119,000 (1999: $769,751,000).

18. Earnings per ordinary stock unit

The earnings per stock unit is calculated by dividing the profit for the year attributable to the group before and after extraordinary items of $84,995,000 (1999: $192,709,000) and $80,107,000 (1999: $155,778,000) respectively, by the total of 187,024,006 ordinary stock units of 10c each being the number of units in issue.

19. Dividends

	2000 $'000	1999 $'000
Capital distribution		
First interim paid in respect of 2000 - 20¢ (1999 - 20¢) per stock unit - gross	37,405	37,405
Second interim paid in respect of 2000 - 24¢ (1999 - 24¢)		

per stock unit gross	44,886	44,886
	82,291	82,291
Unclaimed dividends written back	(12,691)	(11,254)
	69,600	71,037

20. Pension schemes

(a) The company operates a benefits based trusteed pension scheme covering certain salaried employees of the company and its Jamaican subsidiaries, who have satisfied minimum service requirements.

The scheme is subject to actuarial valuations every three years. The most recent actuarial study was done on the basis of the "aggregate cost allocation" method, with projections as at December 31, 1999, when a net liability to be met by the employer of $70,559,000 in respect of services after December 31, 1999 and a surplus of $34, 156,000 in respect of past services were indicated. The actuary recommended that employer's contribution rate be reduced from 5% to 4.25%, and employees'contribution rate be reduced to 5% of total pensionable salaries. This will fund the long-term benefits of the plan. The next actuarial valuation is due as at December 31, 2002.

Earlier pension contributions were usually passed on to the investment managers. However, the trustees have invested $123,305,000 (1999: $73,226,000) (including accrued interest) with the company (see notes 2(i) and 6) at interest rates of 17.28% to 20.61% (1999: 20.42% to 28.50%) per annum to protect the assets of the fund. The trustees are actively reviewing the management of the fund.

The contribution for the year charged to the group profit and loss account amounted to $8,495,000 (1999: *$8,226,000) for the company and its Jamaican subsidiaries other than those covered by (c) and (d) below. This amount includes $7,782,000 (1999: *$7,473,000) for the company.

(b) A UK subsidiary company operates a pension scheme for eligible employees based principally on final pensionable earnings.

The assets of the scheme are held separately from those of the group being invested with the insurance company which manages the funds. Contributions to the scheme, determined by the insurance company's actuary on the basis of triennial valuations using the projected unit method, are charged to the profit and loss account so as to spread the cost of pensions over

employees' working lives with the company.

The most recent actuarial valuation was at January 1, 1997 and showed that the value of the scheme's assets was $848,229,000 representing 101 % of the benefits that had accrued to members. In arriving at these valuations it was assumed that the investment returns would be 6.5% per annum and salary increases would average 5% per annum.

The contributions for the year charged to the UK company's and the group profit and loss account, amounted to $32,013,000 (1999: $27,554,000).

* Restarted

(c) On January 1, 1989, a subsidiary company established a contributory pension scheme for employees who have satisfied certain minimum service requirements. Effective July 1, 1996, the scheme has been administered by Life of Jamaica Limited (LOJ) and the deposits and withdrawals are in LOJ's Pooled Short Term Money Fund No 1. Retirement benefits are determined by the actuaries.

The scheme is subject to actuarial valuations every three years. The latest valuation done as at March 31, 1998 showed that the scheme was adequately funded. The scheme referred to in note 20(d) below was merged with the scheme as of January 1, 2000.

Contributions by the subsidiary company during the year, charged to the group profit and loss account, amounted to $310,000 (1999: $74,305).

(d) A subsidiary company operates a defined contribution plan. The plan is funded by contributions from employees of 5% to a maximum of 10% of earnings. The employer contributes at the rate of 5%. Retirement and other benefits are based on the total contribution of the employer and employees.

An actuarial valuation at March 31, 1998, showed that the plan was adequately funded.

The contributions for the year charged to the group profit and loss account, amounted to $Nil (1999: $782,000). The scheme was merged with the scheme referred to in note 20(c) as of January 1, 2000.

(e) Another UK subsidiary company participates in a pension scheme for eligible employees, based on final pensionable earnings.

The assets of the scheme are held separately, being invested with the insurance company which manages

the fund. Contributions to the scheme, determined by the insurance company's actuary on the basis of triennial valuations using the projected unit method, are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company.

The most recent actuarial valuation was at January 1, 2000 and showed that the value of the scheme's assets was $62,204,000 representing 100% of the benefits that had accrued to members. In arriving at these valuations it was assumed that the investment returns would be 8% per annum and salary increases would average 5.25% per annum.

The contributions for the year charged to the group profit and loss account, amounted to $11,747,000 (1999: $9,766,000).

21. Contingent liability

The company has given a guarantee of $1,000,000 to cover bank borrowings of a subsidiary.

22. Commitments

(a) Unexpired lease commitments at December 31, 2000 expire as follows:

	Company		Group	
	2000	1999	2000	1999
	$'000	$'000	$'000	$'000
Within one year	Nil	Nil	9,245	8,758
Subsequent years	Nil	Nil	102,041	118,246
	Nil	Nil	111,286	127,004

(b) The Board of Directors has authorised capital expenditure as follows:

	Company		Group	
	Authorised but not committed	Authorised and committed	Authorised but not committed	Authorised and committed
	$'000	$'000	$'000	$'000
December 31,2000	1,995	-	159,210	-
December 31,1999	50,067	-	214,692	17,811

23. Financial instruments

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

Exposure to credit, interest rate and currency risk arises in the ordinary course of the company's and group's business. Derivative financial instruments are not presently used to reduce exposure to fluctuations in interest and foreign exchange rates.

(a) Fair values:

Fair value amounts represent estimates of the consideration that would be currently agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by quoted market price, if one exists.

The fair value of cash and bank deposits, short-term investments, accounts receivable, bank overdrafts and demand loans, accounts payable and due to related companies approximate carrying values due to their short term nature. The fair value of investments and long term loans are materially as reflected in notes 8 and 10.

(b) Credit risk:

Credit risk is the risk that a party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The company and the group generally does not require collateral in respect of financial assets, predominantly, trade receivables. Management has a credit policy in place to minimize exposure to credit risk. Credit evaluations are performed on all customers requiring credit.

At balance sheet date, there were no significant concentrations of credit risk and the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

(c) Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The company and the group materially contracts financial liabilities at fixed interest rates for the duration of the term. Bank overdrafts are subject to fixed interest rates which may be varied by appropriate notice by the lender. Financial liabilities subject to fixed

interest rates are shown at note 10.

(d) Foreign currency risk:

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

The company and group manage this risk by holding foreign currency balances.

24. Foreign currency exposure

The net foreign currency assets/(liabilities) at year end are as follows:

	Company			
	2000	1999	2000	1999
US$ (1000)	6,137	4,156	11,438	8,872
£ Sterling ('000)	318	-	29,286	27,414
Costa Rica (CR) Colones ($'000)	-	-	(143,982)	(89,671)

Buying exchange rates at December 31:	2000	1999
US$ to J$	45.30	41.16
UK £ to J$	65.43	64.46
CR¢ to J$	0.14	0.14

SUBSIDIARY COMPANIES*	2000 % equity held	1999 % equity held	Place of Incorporation
Jamaica Banana Producers Steamship Company Limited	100	100	Jamaica
Agualta Vale Limited	100	100	"
St. Mary Banana Estates Limited	100	100	"
The Jamaica Producers Marketing Company Limited	100	100	"
Cariban Limited	100	100	Guernsey

JP Fruit Distributors Limited	65	65	England & Wales
Producers Fruit Distributors Limited	100	100	Jamaica
Jamaica Producers Ripening Company Limited	51	51	"
JBFS Investments Limited	100	100	"
Crescent Developments Limited	100	100	"
P.S.C. Limited	100	66.7	"
Jamaica Producers Shipping Company Limited	60	60	"
Jamaica Producers Marketing (U.S.A.) Inc.	100	100	USA
Caribbean Chartering Limited	100	100	Cayman Islands
Central American Banana Limited	100	100	"
Sunjuice Limited	100	100	England & Wales
Astrol Properties Limited	100	100	England & Wales
Cia Bananera del Tropico JP, S.A.	100	100	Costa Rica
Cia Bananera Kamuk, S.A.	100	100	"
Cia Bananera Tenorio, S.A.	100	100	"
Cia Bananera. Miravalles, S.A.	100	100	"
Cia Comercializadora Productos Limon	100	100	"
Jamaica Banana Holdings Limited	55	55	Jamaica
Eastern Banana Estates Limited	100	100	"
Victoria Banana Company Limited	100	100	"
Agri Services Limited	100	100	"
Trinjam Food Processors Limited	100	100	"

ASSOCIATED COMPANIES*

Aqualapia Limited	29.4	29.4	Jamaica
Balmoral Banana Company Limited	50	50	Northern Ireland
Belvedere Limited	25	25	Jamaica
Frobishers Juices Limited	47.5	47.5	England & Wales

* The names of inactive subsidiary companies are omitted.