THE JAMAICA LIVESTOCK ASSOCIATION

CONSOLIDATED NINE MONTHS INTERIM

FINANCIAL REPORT AUGUST 31, 2003

Consolidated Balance Sheet

	Unaudited as at August 31, 2003 $000	Derived from the audited as at November 30, 2002 $000	Unaudited at August 2002 $000
Current Assets			
Cash	17	20,830	9,238
Accounts receivable	25,307	23,823	17,511
Taxation recoverable	3,515	1,770	2,760
Inventories	147,658	113,504	96,847
	176,497	159,927	126,356
Current liabilities			
Bank overdraft	42,803	46,042	51,442
Current portion of long-term liabilities	2,964	18,691	5,158
Accounts payable	136,153	113,311	72,334
Deferred income	106	106	157
	182,026	178,150	129,091
Net current liabilities	(5,529)	(18,223)	(2,735)
Fixed assets	230,043	241,344	241,928
Deferred tax asset	-	-	13,605
Long-term receivable	483	483	1,202
Investments	137	166	1,099
	225,134	223,770	255,099
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Financed by:			
Stockholders' net equity			
Share capital	57,456	57,456	57,456
Share premium	58,421	58,421	58,421
Capital reserves	74,446	74,446	85,906
Retained earnings	16,718	15,354	21,768
	207,041	205,677	223,551
Deferred tax liability	1,899	1,899	-
Long-term liabilities	16,194	16,194	31,548
	225,134	223,770	255,099
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Consolidated Profit and Loss Account

	Unaudited Three months to August 31, 2003	Unaudited Three months to August 31, 2002	Unaudited Nine months to August 31, 2003	Unaudited Nine months to August 31, 2002
	$000	$000	$000	$000
Gross operating revenue	206,280	154,607	566,015	447,124
Cost of operating revenue	(143,293)	(102,005)	(396,512)	(298,763)
Gross profit	62,987	52,602	169,503	148,361
Other operating income	1,912	1,277	5,264	3,109
	64,899	53,879	174,767	151,470
Administrative expenses	(35,691)	(34,355)	(105,282)	(97,596)
Depreciation	(5,066)	(5,192)	(15,149)	(15,002)
Other operating expenses	(10,926)	(10,550)	(32,208)	(30,163)
Profit from operations	13,216	3,782	22,128	8,709
Finance costs	(6,979)	(4,248)	(18,753)	(11,735)
Profit/(loss) before taxation	6,237	(466)	3,375	(3,026)
Earnings/(loss) per stock unit of $1.00	10.86	(0.81)	5.87	(5.27)

Group Statement of Change in equity

	Share Capital $000	Share Premium $000	Capital Reserves $000	Unappropriated profits $000	Total $000
Balances at November 30, 2001 as previously stated	57,456	58,421	86,169	12,919	214,965
Effect of adopting IFRS					
IAS 12 - Income taxes	-	-	-	13,605	13,605
IAS 16 - Property, plant and equipment	-	-	(263)	263	-
IAS 39 - Financial instruments: Recognition and measurement	-	-	-	18	18
Balances at November 30, 2001 as restated	57,456	58,421	85,906	26,805	228,588
Restated net loss for the period	-	-	-	(3,026)	(3,026)
Dividends paid (gross)	-	-	-	(2,011)	(2,011)
Balances at August 31, 2002	57,456	58,421	85,906	21,768	223,551
Balances at November 30, 2002 as previously stated	57,456	58,421	74,709	17,285	207,871
Effect of adopting IFRS					
IAS 12 - Income taxes	-	-	-	(1,899)	(1,899)
IAS 16 - Property, plant and equipment	-	-	(263)	263	-
IAS 38 - Intangible assets	-	-	-	(286)	(286)
IAS 39 - Financial instruments: Recognition and measurement	-	-	-	(9)	(9)
Balances at November 30, 2002 as restated	57,456	58,421	74,446	15,354	205,677
Restated net profit for the period	-	-	-	3,375	3,375
Dividends paid (gross)	-	-	-	(2,011)	(2,011)
Balances at August 31, 2003	57,456	58,421	74,446	16,718	207,041

Group Statement of Cash Flows

	2003 $000	2002 $000
Cash Flows From Operating activities		
Net profit /(loss)	3,375	(3,026)
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation	15,149	15,002
Loss on investments	29	23
Gain on sale of fixed assets	(3,689)	-
	14,864	11,999
(Increase)/decrease in current assets		
Accounts receivable	(1,484)	7,920
Taxation recoverable	(1,745)	(1,115)
Inventories	(34,154)	(5,955)
(Increase)/decrease in current liability		
Accounts payable	22,842	(14,399)
Net cash provided/(used) by operating activities	323	(1,550)
Cash flows from investment activities		
Additions to fixed assets	(5,909)	(6,499)
Proceeds from disposal of fixed assets	5,750	-
Net cash used by operating activities	(159)	(6,499)
Cash flows from financing activities		
Bank overdraft	(3,239)	26,189
Loan repayments	(15,727)	(15,912)
Dividends paid	(2,011)	(2,011)
Net cash (used)/provided by financing activities	(20,977)	8,266
Net (decrease)/increase in cash	(20,813)	217
Cash at beginning of the period	20,830	9,021
Cash at end of period	17	9,238
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Notes to the Interim Consolidated Financial Statements

1. Group's operations

The principal activities of the group are the sale of animal health products, hardware, lumber, farm equipment and supplies and day-old chicks, transportation and the manufacture and sale of animal feed, the operation of a wharf and grain off-loading facilities.

There were no significant changes to the Group's operations for the period under review. The Group accounts for nine months ended August 31, 2003, include the Company and it's three wholly owned subsidiaries JLA Feed Limited, JLA Hatchery Limited and Henmor Limited, all incorporated in Jamaica.

2. Basis of preparation

Except as disclosed in note 4.(d), these financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, and have been prepared under the historical cost convention, as modified by the revaluation of certain available-for-sale investments.

The Group adopted IFRS as at December 1, 2002, the effect of adopting these standards is reported in the consolidated Statement of changes in equity.

3. Gross operating revenue

Gross operating revenue represents the invoiced value of sales by the Group net of returns and General Consumption Tax.

4. Accounting policies

The following new accounting policies have been reflected in these financial statements in compliance with IFRS.

(a) Deferred taxation

Deferred income tax is provided in full, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts. A tax asset is reflected for unutilized tax losses only to the extent that reversal can reasonably be expected.

(b) Investments

The Group's investments are initially recognized at cost and classified at the time of purchase in accordance with IFRS. Available for sale investments are subsequently remeasured at fair value. The excess of the original carrying amount over fair value of these investments is debited to the Profit and loss account.

(c) Fixed Assets

Freehold land and buildings, previously carried at fair market value are now being carried at deemed cost. Furniture, fixtures, plant, machinery and equipment, previously carried at valuation are now carried at cost. The surplus on revaluation included in capital reserve has been transferred to retained earnings.

(d) Employee benefits

The Group participates in a contributory pension scheme. The relevant information required for valuation has been submitted to the actuaries and we are awaiting their response.

(e) Segment reporting

The Group is organised into two business segments which provide products that are subject to risks and returns dissimilar to each other:

a. **Animal feed** - milling, manufacture and sale of animal feeds;

b. **Poultry** - production and sale of day old chicks

5. Segment results

	$000
Sales	
Animal feeds	320,685
Poultry	110,116
Other	135,214
	566,015
Profit before tax	
Animal feeds	33,000
Poultry	29,974
Other	35,598
	98,572

6. Taxation

There is no taxation charge as the profit will be offset against tax losses brought forward.

7. Earnings/(loss) per stock unit

The calculation of earnings/(loss) per stock unit is based on the group's net profit/(loss) for the period and 57,452,523 preference stock units in issue.

8. Dividends

These represent amounts paid on 7 1/2% preference stock units of the company. These dividends are an allowable charge for taxation purposes in accordance with the provisions of the Income Tax Act.

On behalf of the Board

John Masterton
Director

Henry Rainford
Director

October 15, 2003