

The Jamaica Livestock Association  
Consolidated Balance Sheet  
Quarter ended February 28, 2007

	Unaudited as at February 28, <u>2007</u> \$'000	Derived from the audited as at November 30, <u>2006</u> \$'000	Unaudited as at February 28, <u>2006</u> \$'000
<b>Assets</b>			
Other assets	626	626	626 *
Investments	3,220	4,877	2,702
Property, plant and equipment	221,227	225,298	234,879
Pension asset	52,320	52,111	47,225
<b>Total non-current assets</b>	<u>277,393</u>	<u>282,912</u>	<u>285,432</u>
Cash	10,578	3,242	10,934
Accounts receivable	43,634	64,465	42,356 *
Taxation recoverable	1,920	1,916	2,823
Inventories	243,517	255,069	218,827
<b>Total current assets</b>	<u>299,649</u>	<u>324,692</u>	<u>274,940</u>
<b>Total assets</b>	<u>577,042</u>	<u>607,604</u>	<u>560,372</u>
<b>Equity</b>			
Share capital	115,877	115,877	115,877
Capital reserves	74,441	74,441	74,446
Investment revaluation reserve	1,693	2,175	2,177
Retained earnings	37,770	36,635	55,927
<b>Total equity</b>	<u>229,781</u>	<u>229,128</u>	<u>248,427</u>
<b>Liabilities</b>			
Deferred tax liability	24,315	25,200	30,042
Long-term liabilities	46,797	46,797	22,023
Post retirement obligation	524	512	475
<b>Total non-current liabilities</b>	<u>71,636</u>	<u>72,509</u>	<u>52,540</u>
Bank overdraft	28,462	36,730	66,005
Current portion of long-term liabilities	25,162	26,761	2,654
Accounts payable	220,031	240,506	184,368
Taxation payable	1,970	1,970	6,378
<b>Total current liabilities</b>	<u>275,625</u>	<u>305,967</u>	<u>259,405</u>
<b>Total liabilities</b>	<u>347,261</u>	<u>378,476</u>	<u>311,945</u>
<b>Total equity and liabilities</b>	<u>577,042</u>	<u>607,604</u>	<u>560,372</u>

\* After reclassifications to conform to the 2006 presentation.

**The Jamaica Livestock Association Limited**  
**Consolidated Profit and Loss Account**  
**Quarter ended February 28, 2007**

	<b>Unaudited Three months to <u>28-Feb-07</u> \$'000</b>	<b>Unaudited Three months to <u>28-Feb-06</u> \$'000</b>
Gross operating revenue	305,843	274,206
Cost of operating revenue	(209,512)	(180,776)
Gross profit	96,331	93,430
Other operating income	2,034	3,293
	98,365	96,723
Administrative expenses	(59,148)	(51,681)
Depreciation	(5,471)	(4,811)
Other operating expenses	(20,225)	(20,948)
Profit from operations	13,521	19,283
Finance costs	(13,271)	(11,633)
Profit before taxation	250	7,650
Taxation	885	(6,122)
Profit for the period	1,135	1,528
Earnings per stock unit of \$1.00	1.98¢	2.66¢

The Jamaica Livestock Association Limited  
Group Statement of Changes in Equity  
Quarter ended February 28, 2007  
(Unaudited)

	<u>Share capital</u> \$'000	<u>Share premium</u> \$'000	<u>Capital reserves</u> \$'000	<u>Investment revaluation reserve</u> \$'000	<u>Unappropriated profits</u> \$'000	<u>Total</u> \$'000
<b><u>Unaudited</u></b>						
Balances at November 30, 2005	115,877	0	74,446	2,169	54,399	246,891
Profit for the year	0	0	0	0	1,528	1,528
Increase in fair value of investments	0	0	0	8	0	8
	<hr/>					
Balances at February 28, 2006	115,877	0	74,446	2,177	55,927	248,427
<b><u>Unaudited</u></b>						
Balances at November 30, 2006	115,877	0	74,441	2,175	36,635	229,128
Net profit for the period	0	0	0	0	1,135	1,135
Decrease in fair value of investments	0	0	0	(482)	0	(482)
	<hr/>					
Balances at February 28, 2007	115,877	0	74,441	1,693	37,770	229,781

**The Jamaica Livestock Association Limited**  
**Group Statement of Cash Flows**  
**February 28, 2007**  
**(Unaudited)**

	<u>2007</u>	<u>2006</u>
	\$'000	\$'000
<b>Cash Flows From Operating activities</b>		
Net profit	1,135	1,528
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation	5,471	4,811
Gain on sale of investment	(328)	0
Deferred taxation (net)	(885)	6,122
Post retirement obligation	12	11
Pension asset	(209)	(356)
	<hr/> 5,196	<hr/> 12,116
(Increase)/decrease in current assets		
Accounts receivable	20,831	19,214
Taxation recoverable	(4)	(1,035)
Inventories	11,552	34,944
Increase/(decrease) in current liability		
Accounts payable	<hr/> (20,475)	<hr/> (75,718)
Net cash provided/(used) by operating activities	<hr/> 17,100	<hr/> (10,479)
<b>Cash flows from investment activities</b>		
Acquisition of investments	(1,000)	0
Additions to fixed assets	(1,400)	(9,138)
Proceeds from disposal of investments	<hr/> 2,503	<hr/> 0
Net cash provided/(used) by investing activities	<hr/> 103	<hr/> (9,138)
<b>Cash flows from financing activities</b>		
Bank overdraft	(8,268)	18,135
Loan (net)	<hr/> (1,599)	<hr/> 8,589
Net cash (used)/provided by financing activities	<hr/> (9,867)	<hr/> 26,724
Net increase in cash	7,336	7,107
Cash at beginning of the period	<hr/> 3,242	<hr/> 3,827
Cash at end of period	<hr/> <hr/> 10,578	<hr/> <hr/> 10,934

**The Jamaica Livestock Association Limited**  
**Stockholding of Directors and Officers**  
**As at February 28, 2007**

<u>Names</u>	<u>Personal Stockholdings No. of units</u>	<u>Stockholdings in which Director/Officer has a controlling interest No of units</u>
<b>Directors</b>		
Dr. John Masterton	494,769	
Henry Rainford	16,154,798	8,663,830
Arthur E Barrett	Nil	
Martin Hopwood	Nil	
Richard Lake	7,046,745	6,640,239
Dr. Karl Wellington	6,338	
Steve Fong-Yee	Nil	375,997
Barclay Ewart	Nil	
Andrea Sweeney	1,099,000	

**List of 10 largest blocks of shares**  
**As at February 28, 2007**

1.	H. J. Rainford	16,154,798
2.	A & S Investments Limited	7,704,320
3.	Richard Lake	7,046,745
4.	Lakeland Farms Limited	6,640,239
5.	Barrington Fields	2,322,500
6.	ScotiaBank Trust & Merchant Bank A/C 268	1,643,955
7.	Andrea Sweeney	1,099,000
8.	Richard Rainford	1,000,000
9.	Marston Gordon	883,707
10.	Alexander V. Hamilton	849,186

**The Jamaica Livestock Association Limited**  
**Notes to the Interim Consolidated Financial Statements**  
**Quarter ended February 28, 2007**

**1. Group' 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.

The operations of JLA Feeds Limited and JLA Hatchery Limited are carried out by the company with effect from September 1, 2005. All of the property, assets and rights of JLA Feeds Limited and JLA Hatchery Limited have been transferred and vested in The Jamaica Livestock Association Limited by virtue of a court order dated November 9, 2006. The Company and its subsidiary are incorporated and domiciled in Jamaica.

**2. Basis of preparation**

These financial statements have been prepared in accordance, and comply with, International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board, and have been prepared on the historical cost basis modified for the inclusion of certain available-for-sale investments at fair value.

The accounting policies used in the preparation of the interim consolidated financial statements are consistent with those used in the year-end audited consolidated financial statements.

**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 the 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 unutilised 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. Unrealised gains or losses arising from changes in fair value are taken to investment revaluation reserve.

(c) Property, plant and equipment :

Property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses.

(d) Employee benefits

Employee benefits comprise pension and post-retirement life insurance benefits. The group's net obligation in respect of defined benefit pension plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and future periods; that value is discounted to determine the present value, and the fair value of the plan assets deducted. Where the fair value of plan assets exceed the present value of the obligation, a pension asset is recorded to the extent of economic benefits which can be obtained in the form of reduction in future contributions to the plan. The obligation is calculated using the projected unit credit method.

The obligation in respect of post retirement benefit is computed on a basis similar to that for the defined benefit pension plan.

**The Jamaica Livestock Association Limited**  
**Notes to the Interim Consolidated Financial Statements**  
**Quarter ended February 28, 2007**

**4. Accounting policies (cont'd)**

(e) Segment reporting

The Group is organised into three 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.
- c. *Merchandise* – sale of animal health products, hardware, lumber, and farm equipment.

**5. Segment results**

	<b>\$'000</b>
<b>Sales</b>	
Animal feeds	180,329
Poultry	51,368
Merchandise	74,146
	<u>305,843</u>
<b>Profit before tax</b>	
Animal feeds	147
Poultry	(397)
Merchandise	500
	<u>250</u>

**6. Taxation**

Taxation on the consolidated profit and loss account comprises deferred tax charge for the period.

**7. Earnings per stock unit**

The calculation of earnings per stock unit is based on the group's net profit/(loss) for the period and 57,452,517 preference stock units in issue.

**8. Dividends**

No dividends were paid during the period.

On behalf of the Board

Henry Rainford  
Director

Steve Robinson  
Assistant Company Secretary

30-Apr-07

