

The Jamaica Livestock Association Limited
Consolidated Balance Sheet
Quarter ended May 31, 2008

	Unaudited as at May 31, <u>2008</u> \$'000	Derived from the audited as at November 30, <u>2007</u> \$'000	Unaudited as at May 31, <u>2007</u> \$'000
Assets			
Other assets	0	0	626
Investments	3,410	3,020	3,592
Property, plant and equipment	208,266	215,792	216,662
Pension asset	56,822	55,277	52,489
Total non-current assets	268,497	274,089	273,369
Cash	5,138	12,476	11,062
Accounts receivable	45,845	67,185	32,457
Taxation recoverable	2,416	2,413	2,368
Inventories	309,863	246,953	247,091
Total current assets	363,263	329,027	292,978
Total assets	631,760	603,116	566,347
Equity			
Share capital	115,877	115,877	115,877
Capital reserves	74,441	74,441	74,441
Investment revaluation reserve	1,065	675	1,247
Retained earnings	22,647	10,489	33,989
Total equity	214,030	201,482	225,554
Liabilities			
Deferred tax liability	13,736	13,347	24,978
Long-term liabilities	79,355	79,355	36,797
Post retirement obligation	544	534	536
Total non-current liabilities	93,635	93,236	62,311
Bank overdraft	77,340	65,305	25,929
Current portion of long-term liabilities	11,104	22,221	23,477
Due to related parties	43,527	43,527	51,675 *
Accounts payable	190,153	175,375	175,431 *
Taxation payable	1,970	1,970	1,970
Total current liabilities	324,094	308,398	278,482
Total liabilities	417,730	401,634	340,793
Total equity and liabilities	631,760	603,116	566,347

* After reclassification to conform to current year presentation

The Jamaica Livestock Association Limited
Consolidated Profit and Loss Account
Quarter ended May 31, 2008

	Unaudited Three months to 31-May-08 \$'000	Unaudited Three months to 31-May-07 \$'000	Unaudited Six months to 31-May-08 \$'000	Unaudited Six months to 31-May-07 \$'000
Gross operating revenue	256,903	326,993	526,269	632,836
Cost of operating revenue	(158,491)	(238,056)	(338,852)	(447,568)
Gross profit	98,412	88,937	187,417	185,268
Other operating income	16,468	1,837	19,564	3,871
	114,880	90,774	206,981	189,139
Administrative expenses	(59,872)	(59,447)	(117,940)	(118,595)
Depreciation	(5,456)	(5,462)	(9,582)	(10,933)
Other operating expenses	(24,805)	(18,745)	(37,966)	(38,970)
Profit from operations	24,747	7,121	41,494	20,642
Finance costs	(11,273)	(8,227)	(26,934)	(21,498)
Profit/(Loss) before taxation	13,473	(1,107)	14,559	(857)
Taxation	(230)	(663)	(389)	222
Profit/(Loss) for the period	13,243	(1,770)	14,170	(635)
Earnings/(Loss) per stock unit of \$1.00	23.05¢	(3.08)¢	24.66¢	(1.10)¢

The Jamaica Livestock Association Limited
Group Statement of Changes in Equity
Quarter ended May 31, 2008
(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
<u>Unaudited</u>						
Balances at November 30, 2006	115,877	0	74,441	2,175	36,635	229,128
Net Loss for the period	0	0	0	0	(635)	(635)
Dividends paid (note 8)	0	0	0	0	(2,011)	(2,011)
Decrease in fair value of investments	0	0	0	(928)	0	(928)
	<hr/>					
Balances at May 31, 2007	<u>115,877</u>	<u>0</u>	<u>74,441</u>	<u>1,247</u>	<u>33,989</u>	<u>225,554</u>

Unaudited

Balances at November 30, 2007	115,877	0	74,441	675	10,488	201,481
Net profit for the period	0	0	0	0	14,170	14,170
Dividends paid (note 8)	0	0	0	0	(2,011)	(2,011)
Increase in fair value of investments	0	0	0	390	0	390
	<hr/>					
Balances at May 31, 2008	<u>115,877</u>	<u>0</u>	<u>74,441</u>	<u>1,065</u>	<u>22,647</u>	<u>214,030</u>

The Jamaica Livestock Association Limited
Group Statement of Cash Flows
May 31, 2008
(Unaudited)

	<u>2008</u> \$'000	<u>2007</u> \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit/(Loss)	14,170	(635)
Adjustments to reconcile net profit/(Loss) to net cash (used)/provided by operating activities:		
Depreciation	9,582	10,933
Gain on sale of investment	0	(329)
Deferred taxation (net)	389	(222)
Post retirement obligation	10	24
Pension asset	(1,545)	(378)
	<hr/> 22,606	<hr/> 9,393
(Increase)/decrease in current assets		
Accounts receivable	21,340	32,008
Taxation recoverable	(3)	(452)
Inventories	(62,910)	7,978
Increase/(decrease) in current liability		
Accounts payable	14,778	(13,400)
Net cash (used)/provided by operating activities	<hr/> (4,189)	<hr/> 35,527
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments	0	(1,820)
Additions to fixed assets	(2,057)	(2,294)
Proceeds from disposal of investments	0	2,503
Net cash used by investing activities	<hr/> (2,057)	<hr/> (1,611)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank overdraft	12,035	(10,801)
Loan (net)	(11,117)	(13,284)
Dividends paid	(2,011)	(2,011)
Net cash used by financing activities	<hr/> (1,092)	<hr/> (26,096)
Net (decrease)/increase in cash	(7,338)	7,820
Cash at beginning of the period	12,476	3,242
Cash at end of period	<hr/> <hr/> 5,138	<hr/> <hr/> 11,062

The Jamaica Livestock Association Limited
Stockholding of Directors and Officers
As at May 31, 2008

<u>Names</u>	<u>Personal Stockholdings No. of units</u>	<u>Stockholdings in which Director/Officer has a controlling interest No of units</u>
Directors		
Dr. John Masterton	494,769	
Henry Rainford	17,308,032	8,824,110
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 May 31, 2008

1.	H. J. Rainford	17,308,032
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.	Alexander V. Hamilton	849,186
10.	John H Lindsay	822,500

The Jamaica Livestock Association Limited
Notes to the Interim Consolidated Financial Statements
Quarter ended May 31, 2008

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 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 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 exceeds 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 May 31, 2008

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

	\$'000
Sales	
Animal feeds	296,165
Poultry	120,068
Merchandise	<u>110,035</u>
	<u>526,269</u>
Profit before tax	
Animal feeds	8,214
Poultry	3,483
Merchandise	<u>2,862</u>
	<u>14,559</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 for the period and 57,452,517 preference stock units in issue.

8. Dividends

These represent amounts paid on 7 ½% 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
Chairman

Henry Rainford
Managing Director

22-Jul-08

