

**The Jamaica Livestock Association Limited**  
**Statement of Financial Position - \$'000**

	Unaudited as at May 31, 2010	Unaudited as at May 31, 2009	Audited as at November 30 2009
<b>Current Assets</b>			
Cash and cash equivalents	9,932	2,872	2,557
Assets held for sale			444,772
Short-term investments	2,109	1,899	1,565
Accounts receivable	84,238	29,157	52,234
Taxation recoverable	401	2,418	401
Inventories	159,053	157,729	144,929
<b>Total current assets</b>	<b>255,733</b>	<b>194,075</b>	<b>646,458</b>
<b>Current Liabilities</b>			
Bank overdraft	9,708	153,512	136,276
Current portion of long term liabilities	7,128	30,987	32,623
Short term loan			38,067
Due to related parties	85,071	108,958	115,106
Taxation payable	3,523	1,970	1,970
Accounts payable	86,008	119,360	154,783
<b>Total Current Liabilities</b>	<b>191,438</b>	<b>414,787</b>	<b>478,825</b>
<b>Working Capital</b>	<b>64,295</b>	<b>-220,712</b>	<b>167,633</b>
<b>Non-current Assets</b>			
Property, plant and equipment	364,963	950,451	370,859
Pension asset	47,321	52,499	47,321
<b>Total non-current assets</b>	<b>412,284</b>	<b>1,002,950</b>	<b>418,180</b>
<b>Total assets less current liabilities</b>	<b>476,579</b>	<b>782,238</b>	<b>585,813</b>
<b>Equity</b>			
Share capital	115,877	115,877	115,877
Capital reserves	365,742	612,248	789,274
Investment revaluation reserve	(236)	(445)	(780)
(Deficit)/Retained Earnings	(31,663)	(189,108)	(392,090)
<b>Total Equity</b>	<b>449,720</b>	<b>538,572</b>	<b>512,281</b>
<b>Non-current Liabilities</b>			
Long-term liabilities	24,995	111,293	71,668
Deferred tax liability		131,638	
Post retirement obligation	1,864	735	1,864
<b>Total non-current liabilities</b>	<b>26,859</b>	<b>243,666</b>	<b>73,532</b>
<b>Total equity and non-current liabilities</b>	<b>476,579</b>	<b>782,238</b>	<b>585,813</b>

**The Jamaica Livestock Association Limited**  
**Statement of Comprehensive Income**  
**Quarter ended May 31, 2010**

	Unaudited Three months to 31 May 2010	Unaudited Three months to 31 May 2009	Unaudited Six months to 31 May 2010	Unaudited Six months to 31 May 2009
	\$'000	\$'000	\$'000	\$'000
Gross operating revenue	188,556	261,087	364,730	493,729
Cost of operating revenue	(125,304)	(187,188)	(252,791)	(331,406)
Gross profit	63,252	73,899	111,939	162,323
Other income	612	381	625	396
Interest received	428,256		428,256	
Gain on sale of Fixed Assets			15	10
Dividends received	2,956	1,889	4,726	4,137
Miscellaneous	431,824	2,270	433,622	4,543
	495,076	76,169	545,561	166,866
Administrative expenses	(65,546)	(74,097)	(135,120)	(161,742)
Depreciation	403	(3,164)	(6,579)	(11,520)
Selling	(8,163)	1,102	(15,145)	(7,254)
	(73,306)	(76,159)	(156,844)	(180,516)
Profit from operations	421,770	10	388,717	(13,650)
Finance cost	(11,040)	(16,163)	(26,138)	(33,811)
Profit/( ) loss before tax	410,730	(16,153)	362,579	(47,461)
Taxation		5,384		15,820
Profit/( ) loss after tax	410,730	(10,769)	362,579	(31,641)
Profit/( ) loss per stock unit of \$1.00	\$7.15	(\$0.19)	\$6.31	(\$0.55)

The Jamaica Livestock Association Limited  
Statement of Cash Flows  
Six months ended May 31, 2010  
(Unaudited)

	2010	2009
	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit/(loss)	362,579	(31,641)
Adjustments for:		
Depreciation	6,579	11,520
Gain on sale of fixed assets	(428,256)	
Interest income	(625)	(396)
Interest expense	26,138	34,950
	(33,585)	14,433
Change in other assets:		
Change in Accounts receivable	(32,004)	27,116
Change in taxation payable	1,553	-
Change in inventories	(14,124)	22,245
Change in accounts payable	(68,774)	(101,379)
Due to related parties	(30,035)	26,024
	(143,384)	(25,994)
	(176,969)	(11,561)
Interest paid	(26,138)	(34,950)
Net cash provided by operating activities	(203,107)	(46,511)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	625	396
Proceeds from disposal of fixed assets	449,495	
Additions to property, plant and equipment	(683)	(3,541)
	449,437	(3,145)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Bank overdraft	(126,568)	44,354
Dividends paid	(2,152)	(2,011)
Loan (net)	(110,235)	8,927
	(238,955)	51,270
Net increase/( ) decrease in cash	7,375	1,615
Cash at beginning of the period	2,557	1,257
Cash at end of period	9,932	2,872

The Jamaica Livestock Association Limited  
Statement of Changes in Shareholders Equity  
May 31, 2010  
(Unaudited)

	Share capital \$'000	Capital reserves \$'000	Investment revaluation reserve \$'000	Retained Earnings \$'000	Total \$'000
<b>Unaudited</b>					
Balances at November 30, 2008	115,877	612,248	198	(155,456)	572,867
Net Loss for the period				(31,641)	(31,641)
Dividends				(2,011)	(2,011)
Decrease in fair value of investments			(643)		(643)
Balances at May 31, 2009	115,877	612,248	(445)	(189,108)	538,572
Balances at November 30, 2009	115,877	789,274	(780)	(392,090)	512,281
Net profit for the period				362,579	362,579
Revaluation surplus reversal		(423,532)			(423,532)
Dividends				(2,152)	(2,152)
Increase in fair value of investments			544		544
Balances at May 31, 2010	115,877	365,742	(236)	(31,663)	449,720

**The Jamaica Livestock Association Limited**  
**Stockholding of Directors and Officers**  
**As at May 31, 2010**

<u>Names</u>	<u>Personal</u> <u>Stockholdings</u>		<u>Stockholdings in which</u> <u>Director/Officer has a</u> <u>controlling interest</u>
	<u>No. of units</u>	<u>No. of units</u>	
<b>Directors</b>			
Henry Rainford	18,038,773	9,663,810	
Arthur E Barrett	Nil		
Martin Hopwood	Nil		
Dr. Karl Wellington	6,338		
Steve Fong-Yee	Nil	375,997	
Barclay Ewart	Nil		
Andra Sweeney	1,099,000		

**List of 10 largest blocks of shares**  
**As May 31, 2010**

1.	H. J. Rainford	18,038,773
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.	MF&G Trust & Finance Ltd.	1,643,955
7.	Andra 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 on the Interim Consolidated Financial Statements**  
**Quarter ended May 31, 2010**

**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 sale of animal feed, and the operation of a hatchery.

The operations of JLA Hatchery Limited are carried out by the company effective from September 1, 2005. All of the property, assets and rights of 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.

The company sold its feed plant and wharf facilities effective March 31, 2010.

**2. Basis of Preparation**

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

The significant accounting policies used in the preparation of the interim financial statements are consistent with those used in the year-end audited financial statements. These are summarized below and conform in all material respects to IFRS and the Companies Act of Jamaica.

**3. Accounting Policies**

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

Accounting policies (cont'd)

(a) 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 re-measured at fair value. Unrealized gains or losses arising from changes in fair value are taken to investments revaluation reserve.

(b) Property Plant and Equipment

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

(c) 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 on the Interim Consolidated Financial Statements  
Quarter ended May 31, 2010

Accounting policies (cont'd)

(d) Segment Reporting

The Group is organized into three business segments which provide products that are subject to risks and returns dissimilar to each other;

- i. Animal Feed – sale of animal feeds.
- ii. Poultry – production and sale of day-old chicks.
- iii. Merchandise – sale of animal health products, hardware, lumber, and cement

	SEGMENT RESULTS -2010			
	FEEDS	POULTRY	MERCHANDISE	TOTAL
Revenue from External Customers	146,190	149,313	69,277	364,780
Segment results	(13,076)	19,557	(51,386)	(44,905)
Interest and other income				433,622
Profit from operations				388,717
Finance costs				(26,138)
Profit for the period				<u>362,579</u>
Segment assets	0	229,093	391,603	620,696
Unallocated Assets				47,321
Total assets				668,017
Segment Liabilities	0	67,094	149,339	216,433
Unallocated liabilities				1,864
Total Liabilities				218,297
Capital expenditure	0	412	271	683
Depreciation	0	(1,304)	(5,275)	(6,579)



Notes on the Interim Consolidated Financial Statements  
Quarter ended May 31, 2010

Accounting policies (cont'd)

(d)	Segment Reporting	SEGMENT RESULTS -2009			
		FEEDS	POULTRY	MERCHANDISE	TOTAL
Revenue from External Customers		250,335	145,966	97,408	493,729
Segment results		(10,057)	34,131	(42,267)	(18,193)
Interest and other income					4,343
Loss from operations					(13,650)
Finance costs					(33,811)
Taxation					15,820
Loss for the period					(31,641)
Segment assets		625,756	183,553	335,218	1,144,526
Unallocated Assets					52,499
Total assets					1,197,025
Segment Liabilities		302,550	111,812	243,356	657,718
Unallocated liabilities					735
Total Liabilities					658,453
Capital expenditure		213	1,280	2,048	3,541
Depreciation		5,048	1,085	5,387	11,520

The Jamaica Livestock Association Limited  
Notes on the Interim Consolidated Financial Statements  
Quarter ended May 31, 2009

Accounting policies (cont'd)

4. Taxation

Taxation losses, subject to agreement by the Commissioner of taxpayer audit and Assessment available for relief against future taxable profits amount to approximately \$401,143,000.

5. Earnings Per Stock Unit

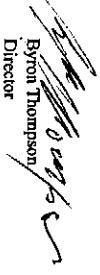
The calculation of earnings per stock unit is based on the group's net profit for the period and 57,542,523 preference stock units in issue.

6. Dividends

These represent amounts paid on 7.5 % 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

Henry Rainford  
Chairman

  
Byron Thompson  
Director

July 2, 2010