

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

	Unaudited as at August 31, 2010	Unaudited as at August 31, 2009	Audited as at November 30 2009
Current Assets			
Cash and cash equivalents	4,568	2,266	2,557
Assets held for sale			444,772
Short-term investments	1,757	1,669	1,565
Trade receivables	32,775	11,081	26,264
Deposits and prepaid expenses	20,887	14,122	18,233
Other receivables	53,697	22,304	28,404
Taxation recoverable	401	2418	401
Inventories	151,513	179,736	144,929
Total current assets	265,598	233,596	667,125
Current Liabilities			
Bank overdraft	47,536	161,542	136,276
Current portion of long term liabilities	5,833	35,245	32,623
Short term loan			38,067
Due to related parties	88,489	113,204	115,106
Taxation payable	5,655	1,970	1,970
Accounts payable	95,284	203,896	175,450
Total Current Liabilities	242,797	515,857	499,492
Working Capital	22,801	(282,261)	167,633
Non-current Assets			
Property, plant and equipment	372,053	947,323	370,859
Pension asset	47,321	52,499	47,321
Total non-current assets	419,374	999,822	418,180
Total assets less current liabilities	442,175	717,561	585,813
Equity			
Share capital	115,877	115,877	115,877
Capital reserves	365,742	612,248	789,274
Investment revaluation reserve	(588)	(676)	(780)
(Deficit)/Retained Earnings	(63,081)	(213,554)	(392,090)
Total Equity	417,950	513,895	512,281
Non-current Liabilities			
Long-term liabilities	22,361	98,834	71,668
Deferred tax liability		104,097	
Post retirement obligation	1,864	735	1,864
Total non-current liabilities	24,225	203,666	73,532
Total equity and non-current liabilities	442,175	717,561	585,813

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

	Unaudited Three months to August 31, 2010	Unaudited Three months to August 31, 2009	Unaudited Nine months to August 31, 2010	Unaudited Nine months to August 31, 2009
	\$'000	\$'000	\$'000	\$'000
Gross operating revenue	228,242	194,421	592,972	688,150
Cost of operating revenue	(186,066)	(124,075)	(438,857)	(455,481)
Gross profit	42,176	70,346	154,115	232,669
Other income				
Interest received	20	5	645	400
Dividends received	13	26	28	36
Miscellaneous	2,437	2066	7,163	6,203
	2,470	2,097	7,836	6,639
	44,646	72,443	161,951	239,308
Administrative expenses	(57,292)	(60,388)	(192,412)	(221,565)
Depreciation	(3,280)	(5,868)	(9,859)	(17,388)
Selling	(11,764)	(24,261)	(26,909)	(31,515)
	(72,336)	(90,517)	(229,180)	(270,468)
Loss from operations	(27,690)	(18,074)	(67,229)	(31,160)
Finance cost	(2,439)	(17,651)	(28,577)	(51,462)
Gain/Loss on Fixed Asset sale			428,256	
Profit/() loss before tax	(30,129)	(35,725)	332,450	(82,622)
Taxation		11,908		27,541
Profit/() loss after tax	(30,129)	(23,817)	332,450	(55,081)
Profit/() loss per stock unit of \$1.00	(\$0.52)	(\$0.41)	\$5.79	(\$0.96)

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

	2010	2009
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit /(loss)	332,450	(55,081)
Adjustments for:		
Depreciation	9,859	17,388
Gain on sale of fixed assets	(428,256)	
Interest income	(645)	(400)
Interest expense	28,577	51,462
Deferred Taxation (net)	(58,015)	(27,541)
	<hr/>	<hr/>
	(58,015)	(14,172)
Change in other assets:		
Change in Accounts receivable	(55,125)	8,766
Change in taxation payable	3,685	
Change in inventories	(6,584)	238
Change in accounts payable	(59,499)	35,414
Due to related parties	(26,617)	30,270
	(144,140)	<hr/>
	(144,140)	74,688
	(202,155)	60,516
Interest paid	(28,577)	(51,462)
	<hr/>	<hr/>
Net cash used by operating activities	(230,732)	9,054
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	645	400
Proceeds from disposal of fixed assets	449,495	
Additions to property, plant and equipment	(11,053)	(6,281)
Net Cash provided/(used) by investing activities	<hr/>	<hr/>
	439,087	(5,881)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank overdraft	(88,740)	52,384
Dividends paid	(3,441)	(3,016)
Loan (net)	(114,164)	(51,531)
Net Cash provided/(used) by financing activities	<hr/>	<hr/>
	(206,345)	(2,163)
Net increase in cash	2,011	1,009
Cash at beginning of the period	2,557	1,257
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Cash at end of period	<hr/>	<hr/>
	4,568	2,266

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

	<u>Share capital</u> \$'000	<u>Capital reserves</u> \$'000	<u>Investment revaluation reserve</u> \$'000	<u>Retained Earnings</u> \$'000	<u>Total</u> \$'000
<u>Unaudited</u>					
Balances at November 30, 2008	115,877	612,248	198	(155,456)	572,867
Net Loss for the period				(55,081)	(55,081)
Dividends				(3,016)	(3,016)
Decrease in fair value of investments			(874)		(874)
Balances at August 31, 2009	115,877	612,248	(676)	(213,554)	513,895
Balances at November 30, 2009	115,877	789,274	(780)	(392,090)	512,281
Net profit for the period				332,450	332,450
Revaluation surplus reversal		(423,532)			(423,532)
Dividends				(3,441)	(3,441)
Increase in fair value of investments			192		192
Balances at August 31, 2010	115,877	365,742	(588)	(63,081)	417,950

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

<u>Names</u>	<u>Personal Stockholdings</u> <u>No. of units</u>	<u>Stockholdings in which Director/Officer has a controlling interest</u> <u>No of units</u>
Directors		
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	
Andrea Sweeney	1,099,000	

List of 10 largest blocks of shares
As at August 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.	Andrea Sweeney	1,099,000
8.	Richard Rainford	1,000,000
9.	Alexander V. Hamilton	849,186
10.	John H Lindsay	822,500

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 feeds, 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.

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	258,292	226,553	108,127	592,972
Segment results	(15,071)	10,401	(70,395)	(75,065)
Interest and other income				7,836
Loss from operations				(67,229)
Finance costs				(28,577)
Gain on sale of fixed assets				428,256
Profit for the period				332,450
Segment assets	0	232,233	405,418	637,651
Unallocated Assets				47,321
Total assets				684,972
Segment Liabilities	0	67,094	198,064	265,158
Unallocated liabilities				1,864
Total Liabilities				267,022
Capital expenditure	0	412	10,641	11,053
Depreciation	0	1,957	7,902	9,859

Accounting policies (cont'd)

(d) Segment Reporting

	SEGMENT RESULTS -2009			
	FEEDS	POULTRY	MERCHANDISE	TOTAL
Revenue from External Customers	343,740	208,155	136,225	688,120
Segment results	(41,511)	37,997	(34,285)	(37,799)
Interest and other income				6,639

Loss from operations				(31,160)
Finance costs				(51,462)
Taxation				27,541
Loss for the period				<u>(55,081)</u>
Segment assets	629,322	185,406	339,283	1,154,011
Unallocated Assets				52,499
Total assets				1,206,510
Segment Liabilities	318,265	117,620	255,995	691,879
Unallocated liabilities				735
Total Liabilities				692,614
Capital expenditure	276	1,331	4,674	6,281
Depreciation	7,704	1,685	7,999	17,388

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

October 5, 2010