

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

	Unaudited as at November 30, 2010	Audited as at November 30 2009
<b>Current Assets</b>		
Cash and cash equivalents	2,906	2,557
Assets held for sale		444,772
Short-term investments	1,493	1,565
Trade receivables	32,787	5,597
Deposits and prepaid expenses	9,356	18,233
Other receivables	43,059	28,404
Taxation recoverable	115	401
Inventories	111,224	144,929
<b>Total current assets</b>	<b>200,940</b>	<b>646,458</b>
<b>Current Liabilities</b>		
Bank overdraft	40,354	136,276
Current portion of long term liabilities	5,833	32,623
Short term loan		38,067
Due to related parties - short term	5,980	11,372
Taxation payable	1,970	1,970
Accounts payable	66,654	154,783
<b>Total Current Liabilities</b>	<b>120,791</b>	<b>375,091</b>
<b>Working Capital</b>	<b>80,149</b>	<b>271,367</b>
<b>Non-current Assets</b>		
Property, plant and equipment	494,435	370,859
Pension asset	47,321	47,321
<b>Total non-current assets</b>	<b>\$41,756</b>	<b>418,180</b>
<b>Total assets less current liabilities</b>	<b>621,905</b>	<b>689,547</b>
<b>Equity</b>		
Share capital	115,877	115,877
Capital reserves	488,407	789,274
Investment revaluation reserve (Deficit)/Retained Earnings	(93,370)	(780)
<b>Total Equity</b>	<b>510,062</b>	<b>512,281</b>
<b>Non-current Liabilities</b>		
Long-term liabilities	20,903	71,668
Due to related parties - long term	89,076	103,734
Post retirement obligation	1,864	1,864
<b>Total non-current liabilities</b>	<b>111,843</b>	<b>177,266</b>
<b>Total equity and non-current liabilities</b>	<b>621,905</b>	<b>689,547</b>

The Jamaica Livestock Association Limited  
Statement of Comprehensive Income

	Unaudited		Unaudited Year 2010	Audited Year 2009
	Three months to Nov 30, 2010	Three months to Nov 30, 2009		
	\$'000	\$'000	\$'000	\$'000
Gross operating revenue	170,703	216,343	763,675	904,493
Cost of operating revenue	(119,324)	(189,692)	(558,181)	(645,173)
Inventory losses		(1,153)		(1,153)
Gross profit	51,379	25,498	205,494	258,167
Other income	1,040	2,399	8,876	9,038
Administrative expenses	(61,872)	(72,241)	(254,284)	(293,806)
Depreciation	(1,237)	(12,341)	(11,096)	(29,729)
Selling	(11,335)	(24,097)	(38,244)	(55,612)
Finance cost	(7,406)	(21,115)	(35,983)	(72,577)
	(81,850)	(129,794)	(339,607)	(451,724)
Gain/(loss) on sale of fixed assets		(2,422)	428,256	(2,422)
Profit/( ) loss before taxation	(29,431)	(104,319)	303,019	(186,941)
Taxation (expense)/credit		(72,929)		(45,388)
Profit/( ) loss for the year	(29,431)	(177,248)	303,019	(232,329)
Other comprehensive income:				
Gain/(Loss) on property revaluation	122,655	177,026	(300,867)	177,026
Unrealized gain/(loss) on available for sale investments	(264)	(544)	(72)	(1,418)
Other comprehensive income for the year	122,401	176,482	(300,939)	175,608
Total comprehensive income for the year	92,970	(766)	2,080	(56,721)
Profit / ( Loss) per stock unit of \$1.00	(0.51)	(3.09)	5.27	(4.04)

The Jamaica Livestock Association Limited  
Statement of Cash Flows

	Year 2010 \$'000	Year 2009 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit/(loss)	303,019	(232,329)
Adjustments for:		
Depreciation	11,096	29,729
Pension asset		5178
Post retirement obligation		1,129
Gain on sale of fixed assets	(428,256)	2,422
Interest income	(646)	(433)
Interest expense	35,983	72,577
Deferred Taxation (net)	(78,804)	45,388
	<u>(78,804)</u>	<u>(76,339)</u>
Change in other assets:		
Change in Accounts receivable	(32,968)	4,039
Short term loan	(38,067)	(14,090)
Change in inventories	33,705	35,045
Change in taxation recoverable	286	2,017
Change in accounts payable	(88,129)	65,025
Due to related parties	(20,050)	32,172
	<u>(145,223)</u>	<u>124,208</u>
Interest paid	(224,027)	47,869
	(35,983)	(70,688)
Net cash used by operating activities	<u>(260,010)</u>	<u>(22,819)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	646	433
Proceeds from disposal of fixed assets	449,495	37,924
Additions to property, plant and equipment	(12,007)	(7,889)
Net Cash provided/(used) by investing activities	<u>438,134</u>	<u>30,468</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(4,299)	(4,305)
Loan (net)	(77,555)	(29,062)
Net Cash provided/(used) by financing activities	<u>(81,854)</u>	<u>(33,367)</u>
Net increase in cash	96,271	(25,818)
Cash at beginning of the period	(133,719)	(107,901)
Cash at end of period	<u>(37,448)</u>	<u>(133,719)</u>
Comprising:		
Cash	2,906	2,557
Bank overdrafts	(40,334)	(136,276)
	<u>(37,428)</u>	<u>(133,719)</u>

The Jamaica Livestock Association Limited  
Statement of Changes in Shareholders Equity  
November 30, 2010  
(Unaudited)

	Share Capital \$'000	Capital Reserves \$'000	Investment revaluation Reserve \$'000	Retained Earnings \$'000	Total \$'000
<u>Unaudited</u>					
Balances at November 30, 2008	115,877	612,248	198	(155,456)	572,867
Net Loss for the period				(232,329)	(232,329)
Revaluation surplus on property, plant and equipment net of deferred tax		177,026			177,026
Dividends				(4,305)	(4,305)
Decrease in fair value of investments			(978)		(978)
Balances at November 30, 2009	115,877	789,274	(780)	(392,090)	512,281
Balances at November 30, 2009	115,877	789,274	(780)	(392,090)	512,281
Net profit for the period				303,019	303,019
Revaluation surplus on property, plant and equipment net of deferred tax		(300,867)			(300,867)
Dividends				(4,299)	(4,299)
Increase in fair value of investments			(72)		(72)
Balances at November 30, 2010	115,877	488,407	(852)	(93,370)	510,062

The Jamaica Livestock Association Limited  
 Stockholding of Directors and Officers  
 As at November 30, 2010

Names	Personal Stockholdings		Connected Party Holdings
	No. of units		
<b>Directors</b>			
Henry Rainford	18,038,773	9,663,810	
Arthur E Barrett	Nil		
Dr. Karl Wallington	6,338		
Steve Fong-Yee	Nil	375,997	
Andrea Sweeney	1,099,000		

List of 10 largest blocks of shares  
 As at November 30, 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

The Jamaica Livestock Association Limited  
Notes on the Interim Consolidated Financial Statements  
Quarter ended November 30, 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 feeds, and the operation of a hatchery.

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

The Jamaica Livestock Association Limited  
Notes on the Interim Consolidated Financial Statements  
Quarter ended November 30, 2010

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 November 30, 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. Hatchery – production and sale of day-old chicks.
- ii. Farm Supplies – sale of animal feeds, animal health products, and other products

	SEGMENT RESULTS - YEAR 2010		
	HATCHERY	FARM SUPPLIES	TOTAL
Revenue from External Customers	288,197	475,478	763,675
Segment results	(15,008)	(83,122)	(98,130)
Gain on sale of fixed assets			428,256
Interest and other income			8,876
Profit from operations			339,002
Finance costs			(35,983)
Profit for the period			303,019
Segment assets	221,970	473,405	695,375
Unallocated Assets			47,321
Total assets			742,696
Segment Liabilities	57,693	173,077	230,770
Unallocated liabilities			1,864
Total Liabilities			232,634
Capital expenditure	1,813	10,194	12,007
Depreciation	2,581	8,515	11,096



Notes on the Interim Consolidated Financial Statements  
 Quarter ended November 30, 2010

Accounting policies (cont'd)

(d) Segment Reporting

	SEGMENT RESULTS - YEAR 2009		
	HATCHERY	FARM SUPPLIES	TOTAL
Revenue from External Customers	287,298	617,195	904,493
Segment results	34,235	(155,215)	(120,980)
Interest and other income			6,616
Loss from operations			(114,364)
Finance costs			(72,577)
Taxation			(45,388)
Loss for the period			(232,329)
Segment assets	183,762	833,555	1,017,317
Unallocated Assets			47,321
Total assets			1,064,638
Segment Liabilities	183,762	366,731	550,493
Unallocated liabilities			1,864
Total Liabilities			552,357
Capital expenditure	1,514	6,375	7,889
Depreciation	2,403	27,326	29,729
Other non-cash expenses		8,740	8,740

The Jamaica Livestock Association Limited  
Notes on the Interim Consolidated Financial Statements  
Quarter ended November 30, 2010

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

January 17, 2011