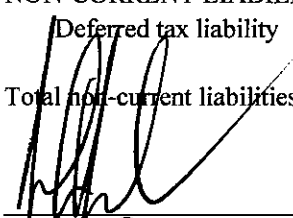



MONTEGO BAY ICE COMPANY LIMITED

Group Balance Sheet

December 31, 2010

	Company		Group		Audited
	Dec 2010	Dec 2009	Dec 2010	Dec 2009	December 2009
CURRENT ASSETS					
Cash and cash equivalents	873,247	1,508,164	34,230,097	37,307,148	37,307,148
Resale agreements	23,775,587	28,156,630	23,775,587	28,156,630	28,156,630
Accounts receivable	1,153,158	2,959,648	1,232,136	2,981,341	2,981,341
Inventories	2,287,567	1,813,909	2,287,567	1,813,909	1,813,909
Taxation recoverable	447,842	410,216	602,875	640,474	640,474
Total current assets	28,537,401	34,848,567	62,128,262	70,899,502	70,899,502
CURRENT LIABILITIES					
Bank Overdraft	443,896	(501,586)	443,896	(401,586)	(401,586)
Accounts payable	(3,090,717)	(3,027,261)	(3,761,327)	(4,094,688)	(4,094,688)
Due to subsidiary	(10,682,466)	(9,575,540)	-	-	-
Taxation payable	-	-	2,642,121	(653,152.00)	(653,152)
Dividends	(575,576)	(576,692)	(575,576)	(576,692)	(576,692)
Total current liabilities	(13,904,864)	(13,681,079)	(1,250,886)	(5,726,118)	(5,726,118)
NET CURRENT ASSETS	14,632,537	21,167,488	60,877,376	65,173,384	65,173,384
NON-CURRENT ASSETS					
Interest in subsidiaries	40,001	40,001	-	-	-
Investment properties	9,900,122	9,918,812	62,100,947	63,245,135	63,245,135
Property, plant & equipment	27,882,093	28,895,153	33,605,621	30,743,180	30,743,180
Total non-current assets	37,822,216	38,853,966	95,706,568	93,988,315	93,988,315
Total assets less current liabilities	52,454,753	60,021,454	156,583,944	159,161,699	159,161,699
Financed by:					
EQUITY					
Share capital	1,242,302	1,242,302	1,242,302	1,242,302	1,242,302
Reserves	51,212,451	58,879,152	120,211,814	123,882,581	123,882,581
	52,454,753	60,121,454	121,454,116	125,124,883	125,124,883
MINORITY INTEREST	-	-	33,595,092	32,521,630	32,521,630
Total equity	52,454,753	60,121,454	155,049,208	157,646,513	157,646,513
NON-CURRENT LIABILITIES					
Deferred tax liability	-	-	1,515,186	1,515,186	1,515,186
Total non-current liabilities	52,454,753	60,121,454	156,564,394	159,161,699	159,161,699


 Director

 Director
 Theresa Chin

MONTEGO BAY ICE COMPANY LIMITED

Statement of Comprehensive Income

Period ending December 31

	Company		Group	
	December 2010	December 2009	December 2010	December 2009
Gross operating revenue	20,467,514	20,317,049	34,319,477	33,838,870
Cost of operating revenue	<u>(16,475,369)</u>	<u>(17,195,232)</u>	<u>(16,475,369)</u>	<u>(17,260,230)</u>
Gross operating profit	3,992,145	3,121,817	17,844,109	16,578,640
Other income/(expense):				
Foreign exchange gains	(1,243,632)	1,243,723	(2,748,414)	7,117,040
Gain on Disposal of Investment Properties			384,000	667,561
Interest income	<u>1,595,674</u>	<u>5,206,877</u>	<u>2,317,122</u>	<u>2,726,922</u>
	<u>352,042</u>	<u>6,450,600</u>	<u>(47,292)</u>	<u>10,511,523</u>
	4,344,187	9,572,417	17,796,816	27,090,163
Administration and other expenses	<u>(12,022,278)</u>	<u>(17,615,143)</u>	<u>(20,382,498)</u>	<u>(20,649,085)</u>
Profit/(loss) from operations	(7,678,090)	(8,042,726)	(2,585,682)	6,441,078
Finance costs	<u>(11,683)</u>	<u>(15,657)</u>	<u>(11,683)</u>	<u>(15,657)</u>
Profit/(loss) before taxation and minority interest	(7,689,774)	(8,058,383)	(2,597,365)	6,425,421
Taxation				(3,290,241)
Total comprehensived (loss)/profit for the period ending December 31	<u>(7,689,774)</u>	<u>(8,058,383)</u>	<u>(2,597,365)</u>	<u>3,135,180</u>

Montego Bay Ice Co. Ltd
Statement of Group Cash Flows
Period Ending 31 December 2010

	December 2010	December 2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / loss for the year attributable to members	(2,597,365)	(2,243,732)
Adjustments for :		
(Gain)/Loss on disposal of Equipment	(384,000)	(668,162)
Interest income	(2,317,122)	(2,726,922)
Impairment loss on property, plant & equipment		2,874,746
Minority interest in profit for the year		2,907,327
Interest expense	11,683	15,657
Taxation	37,599	2,729,197
Depreciation	2,932,893	2,767,875
Operating profit before changes in working capital	(2,316,311)	5,655,986
Decrease / (Increase) in current assets :		
Accounts receivable	1,749,205	1,500,239
Inventories	(195,859)	419,566
Dividends unclaimed	116	684
Increase / (decrease) in current liabilities :		
Accounts payable	(333,361)	(353,426)
Cash used by operations	(1,096,211)	7,223,049
Taxes Paid	(3,295,273)	(2,849,349)
Interest paid	(9,433)	(15,657)
Net cash used by operating activities	(4,400,917)	4,358,043
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	2,317,122	2,769,015
Resale agreements	4,381,043	(6,477,978)
Addition to Investment Properties		(4,001,080)
Addition to Property plant & Machinery	(6,200,556)	
Proceeds from disposal of plant & machinery	826,256	1,200,000
Net cash used by investing activities	(3,077,051)	(2,152,000)
CASH LOWS FROM FINANCING ACTIVITIES		
Bank Overdraft		(285,247)
Net cash used by financing activities	-	(285,247)
Net decrease in cash and cash equivalents	(3,077,051)	(2,437,247)
Cash and cash equivalents at beginning of the year	37,307,148	39,744,395
Cash and cash equivalents at end of the year	34,230,097	37,307,148

MONTEGO BAY ICE COMPANY LIMITED

Statement of Changes in Equity
Period ending December 31, 2010

	Capital Reserves		Revenue Reserves	Parent company stockholders equity	Minority Interest	Total Equity	
	Share premium	Realised	Retained earnings				
Balances at December 31, 2008	1,242,302	19,229,822	2,055,852	104,840,639	127,368,615	29,614,303	156,982,918
Profit, being total recognised gains for the year			(2,243,732)	(2,243,732)	2,907,327		663,595
Transfer of gain on disposal of property, plant & equipment			668,162	(668,162)			
Balances at December 31, 2009	1,242,302	19,229,822	2,724,014	101,928,745	125,124,883	32,521,630	157,646,513
Total comprehensive losses for the period ending December 31, 2010			(2,597,365)	(2,597,365)	-		(2,597,365)
Balances at December 31, 2010	1,242,302	19,229,822	2,724,014	99,331,380	122,527,518	32,521,630	155,049,148

MONTEGO BAY ICE COMPANY LTD.

2 Creek Street, P.O. Box 51, Montego Bay, St. James
876-952-3067 Fax: 876-979-5022

TOP TEN (10) STOCKHOLDERS As at 31 December 2010

NAME

1.	A.M.D. Ltd	3,056,296
2.	Mark Hart	1,778,070
3.	R. Anthony & Daphne Jones	100,000
4.	Peter Hart	97,100
5.	MVL Stock Brokers	91,644
6.	Creative Kitchens	61,818
7.	Melita Aarons	54,970
8.	Estate James A. Chin	54,580
9.	Dr. Herbert Eldemire	51,510
10.	Desmond and Lucinda Whittingham	49,727

Directors' and Senior Officers' Interests

Seville Allen	4,710
H. G. Anderson	1,000
Andrew Brennan	1,000
Theresa Chin	2,500
Mark Hart	4,834,366
Peter Hart	97,100
R. Anthony Jones	100,000

Directors: M. Hart (Chairman), T. Chin (Managing Director), S. Allen (Secretary/Director)
H.G. Anderson, K. Armstrong, A. Brennan P. Hart, A. Jones

MONTEGO BAY ICE COMPANY LIMITED

Notes to the Financial Statements

December 31, 2010

1. The company

Montego Bay Ice Company Limited (“company”) is incorporated and domiciled in Jamaica. The company is listed on the Jamaica Stock Exchange and its registered office and principal place of business is located at 2 Creek Street, Montego Bay, St. James.

The principal activities of the company and its subsidiaries (“Group”) are the manufacture and sale of ice and spring water, and the rental of cold storage facilities and apartments.

2. Basis of preparation and significant accounting policies

(a) Basis of preparation:

The financial statements are prepared on the historical cost basis and are presented in Jamaica dollars (\$), which is the functional currency of the company.

(b) Basis of consolidation:

A “subsidiary” is an entity controlled by the company. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The consolidated financial statements comprise the financial results of the company and its subsidiaries for the period ending December 31, 2010.

The company and its subsidiaries are collectively referred to as the “group”.

All significant inter-company transactions are eliminated in preparing the consolidated financial statements.

(c) Cash and cash equivalents:

Cash and cash equivalents comprise cash, bank balances and short-term deposits with maturity within three months, or less, from the date of acquisition. For the purpose of the company’s and the group’s statement of cash flows, bank overdraft, if any, is presented as a financing activity.

2. Basis of preparation and significant accounting policies (cont'd)

(d) Resale agreements:

Securities purchased under resale agreements (“Resale agreements” or “Reverse repos”) are short-term transactions, whereby, securities are bought with simultaneous agreements to resell the securities on a specified date at a specified price. Reverse repos are accounted for as short-term collateralised lending and are carried at amortised cost.

Interest earned on resale agreements is recognised as interest income over the life of each agreement using the effective interest rate method.

(e) Accounts receivable:

Trade and other receivables are stated at amortised cost, less impairment losses.

(f) Inventories:

Inventories are valued at the lower of cost, determined principally on the first-in first-out basis, and net realisable value. Net realisable value is the estimated disposal price in the ordinary course of business, less selling expenses.

(g) Accounts payable and provisions:

Trade and other payables are stated at amortised cost.

(h) Interest in subsidiaries:

Interest in subsidiaries is stated at cost, less impairment losses.

(i) Investment properties:

Investment properties are properties held either to earn rental income or for capital appreciation, or both. They are measured at cost, less accumulated depreciation and impairment losses.

(j) Property, plant & equipment:

Property, plant & equipment are stated at cost, less accumulated depreciation and impairment losses. Cost includes expenditures that are attributable to the acquisition of the asset. The cost of replacing part of an item of property, plant & equipment is recognised in the carrying amount of the item, if it is probable that the future economic benefit embodied within the part will flow to the company or the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant & equipment are recognised in the income statement as incurred.

2. Basis of preparation and significant accounting policies (cont'd)

(k) Depreciation:

Property, plant & equipment and investment properties, with the exception of freehold land on which no depreciation is provided, are depreciated on the reducing-balance basis, at annual rates to write down the assets to their estimated residual values over their expected useful lives.

(l) Revenue recognition:

Revenue from the sale of goods is recognised in the company's and the group's income statements when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised, if there are significant uncertainties regarding recovery of the consideration due, or material associated costs on the possible return of goods.

Rental income from investment properties is accrued and recognised in the company's and the group's income statement on the straight-line basis over the term of the lease agreement.

(m) Foreign currencies:

Foreign currency balances at the balance sheet date are translated at the rates of exchange ruling on that date. Transactions in foreign currencies are converted at the rates of exchange ruling on the dates of those transactions. Gains and losses arising from fluctuations in exchange rates are included in the company's and the group's income statements.