Annual Report 2011

LIME







Contents

LIME

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 24th Annual General Meeting of Cable & Wireless Jamaica Limited will be held at the Wyndham Kingston Jamaica, 77 Knutsford Boulevard, Kingston 5, on the 27th day of July, 2011, commencing at 3:00 p.m. to transact the following business:

1. *To receive the audited accounts for the year ended 31 March 2011 and the Reports of the Directors and Auditors thereon.*

The Company is asked to consider, and if thought fit, pass the following Resolution:

Resolution No. 1
"That the Accounts for the year ended 31 March 2011 together with the Reports of the Directors and Auditors thereon, be and are hereby adopted."

2. *To elect the Directors.*

(i)The Directors retiring by rotation in accordance with Article 99 of the Company's Articles of Incorporation are Messrs. Ken McFadyen and Mark Kerr-Jarrett, who being eligible for re-election, offer themselves for re-election to the Board.

The Company is asked to consider and if thought fit, pass the following resolutions:

Resolution No. 2 (a)
"That Mr. Ken McFadyen, retiring by rotation, be and is hereby re-elected."

Resolution No. 2 (b)
"That Mr. Mark Kerr-Jarrett, retiring by rotation, be and is hereby re-elected."

(ii) In accordance with Article 97 of the Company's Articles of Incorporation, Mr. Garfield Sinclair, having been appointed since the last Annual General Meeting, will retire, and being eligible, offer himself for election to the Board.

The Company is asked to consider, and if thought fit, pass the following resolution:

Resolution 2 (c)
"That Mr. Garfield Sinclair be and is hereby elected a Director of the Company."

3. *To fix the fees of the Directors.*

The Company is asked to consider, and if thought fit, pass the following resolution:

Resolution No. 3
"That the amount shown in the Accounts of the Company for the year ended 31 March 2011 as fees of the Directors for their services as Directors, be and is hereby approved."

4. *To fix the remuneration of the Auditors.*

The Company is asked to consider, and if thought fit, pass the following resolution:

Resolution No. 4
"That the remuneration of the auditors, KPMG, who have signified their willingness to continue in office, be fixed by the Directors of the Company."

Dated 24th day of May, 2011

By Order of the Board

Kamina Johnson Smith
Corporate Secretary

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll, vote instead of that member. A proxy need not be a member of the Company.

An instrument for the appointment of proxies is included with this Annual Report and must be deposited with the Registrar of the Company, Duke Corporation Limited, no later than 3:00 p.m. Monday, 25 July, 2011.

MAKING OUR MARK: Another page in LIME Jamaica's illustrious history was written when the new fibre optic cable which runs from Venezula to Cuba to Jamaica landed in Ocho Rios in February 2011. When the cable came ashore, our Chairman Chris Dehring, (centre) Cuba's Ambassador to Jamaica, Yuri Ariel Gala, (left) and Venezuela's Minister of Technology, Ricardo Menendez signed the buoy attached to mark the historic landing. Senator Marlene Mahaloo-Forte, Minister of State in the Ministry of Foreign Affairs & Foreign Trade also shared in the occasion.

SOLD OUT: The launch of LIME Mobile TV created history, redefined entertainment and brought droves of customers into our retail stores.

Chairman's Report

The path to growth may be full of challenges, but we remain focused on our ultimate destination.

Chairman's Report

With the local economy struggling to recover from the effects of the global recession, practically every sector in Jamaica felt the pressure of the continued reduction in consumer spending. Although telecoms services have become staples of modern-day life, the industry was not exempt from the effects of the decline in customer expenditure. Against this backdrop, the 2010-11 fiscal year brought less than optimal results but our business continues to redefine and evolve its strategy in our quest to return to a path of growth and profitability.

RESPONDING TO MARKET CHALLENGES

Our tactical and strategic responses to market challenges included:

• Redoubling our efforts to obtain significant changes in the regulatory framework in order to allow LIME to compete on a level playing field.

The current legislative framework is long outdated and continues to asymmetrically regulate LIME as the incumbent while our competitors remain largely unregulated. A glaring inequity in the framework is the ability of our major competitor to set the retail prices our fixed line customers pay to call their customers. This has had a detrimental impact on our operations for the past 10 years.

• Revamping our brand and significantly increasing the visibility of our company as well as its products and services in order to make LIME top of mind for Jamaican consumers.

• The launch of Mobile TV, the most innovative product to hit the local mobile market in the last decade. As the sole provider of this much demanded service, we expect to attract many more subscribers to the LIME network with unique content that Jamaican consumers desire.

• The expansion of our 3G network to cover popular urban centres and tourist areas including Portmore, Spanish Town, Ocho Rios, Montego Bay and Negril. This is part of our strategy to increase mobile revenues by offering enhanced mobile data services to consumers.

• The continued bolstering of our Internet network to expand the areas covered and upgrade the service provided in order to consolidate our leadership in this market segment and improve on the 10% increase in revenue we achieved in the last fiscal year.

Our practice of rejoining quickly and strategically to the ever-changing demands of the market reaped moderate success in the short term. Among the positive results were:

• A 4% increase in active mobile customers.

• A 3% increase in the average revenue earned from each landline user.

• A 7% increase in the average revenue earned from each internet customer.

Notwithstanding these positives, our overall results continue to reflect our on-going challenges with an unfair regulatory environment, rising operating costs, pressure on revenue lines and increasing competition.

Through effective cost structure and expenditure management we managed to reduce our total Operating Losses before net financing costs from J$3,032m to J$2,604m. However, the impact of these reductions was largely offset by increases in staff costs and utility charges and a substantial investment in marketing initiatives. As a result, Gross Margin was J$11,945m compared with

J$14,280m for the prior year with a percentage margin of 57%. It should be noted, however, that our brand has benefitted significantly from our investment in marketing and we are confident that this will have a positive impact on our performance going forward.

INVESTMENTS IN INFRASTRUCTURE

In spite of the economic pressures, we also continued to invest in our infrastructure to be able to deliver the world class products and services demanded by Jamaican consumers. Our capital expenditure during the year covered:

• $3 billion for the expansion of our 3G mobile network to provide service for customers in Urban St. Catherine and sections of the North Coast hospitality corridor between St. Ann and Hanover.

• $620 million to continue the build out of our high speed Internet network and increase our reach across the island.

• $80 million to open new retail stores and upgrade existing locations.

CORPORATE GOVERNANCE

During the period in review, the Board met 6 times, and continued to lend the steady hand of continuity as it oversaw the seamless transition of the Managing Director's role from Geoff Houston, who now has responsibility for the Bahamas Telecommunications Company (BTC), Cable & Wireless Communications' recently acquired operations in the Bahamas, to Garfield "Garry" Sinclair, who previously served as Managing Director, Customer Segments for LIME Caribbean.

Towards the very end of the financial year, the Board also said farewell to Mrs. Camille Facey who served as Company Secretary for a decade, and welcomed Mrs. Kamina Johnson Smith who had served as her Deputy for several years. On behalf of the Board I wish to thank both Geoff and Camille for their unfailing passion and service to the Company during their respective tenures.

The Audit Committee, comprised of our able Non-Executive Directors Hon. Pat Rousseau O.J., Mark Kerr-Jarrett, J.P. and Chairman Andrew Cocking, continued to support the Board by applying its collective experience and breadth of expertise to ensure that appropriate internal controls are maintained and risks mitigated in the best interests of the Company. The Committee met 3 times during the period in review, while the Remuneration and Nominations Committee and the Corporate Governance Committee did not meet.

The Board has resolved that the Corporate Governance Committee will review the Policy it developed and approved in 2007, with a view to ensuring not only that it is fit for purpose in light of the new Jamaica Stock Exchange Rule 414, but also that the Company's implementation of the Policy is appropriate to ensure high standards of governance in the context of an extremely competitive environment and the regional structure of the LIME Group.

CONCLUSION

While our financial results are a clear indication that our business is facing immense pressure, we will continue to respond through innovative product development, prudent cost management and judicious investment. However, it should be well recognised by all right-thinking Jamaicans that a levelling of the regulatory playing field is fundamental to our being able to play our best game. The road to growth is punctuated by challenges but we remain focused on our ultimate destination.

On behalf of the Board of Directors, I would like to thank the Management and Staff for another year of tireless service. I urge the entire team to continue to apply the same level of diligence in the future as we continue to work together to turn the business around.

Chris Dehring
Chairman

NETWORK OF THE FUTURE: Minister with responsibility for Telecommunications, Daryl Vaz (standing right) and Chairman of the Universal Access Fund Company Ltd, Andre Foote (standing left) observe as our Managing Director, Garry Sinclair (sitting right) and President and Chief Operating Officer of Flow Jamaica, Michelle English sign contracts to build out the national broadband network.

OPEN FOR BUSINESS: Lloyd B. Smith, (left) Past President of the Montego Bay Chamber of Commerce, cutting the ribbon to officially open LIME's Flagship Store at Fairview Mall in Montego Bay to the delight of our former Vice President Retail, Bob Gill.

Managing Director's Report

We have reclaimed our role as an innovative force and an industry leader.

Managing Director's Report

While LIME Jamaica has always demonstrated remarkable resilience, the last fiscal year saw an even stronger resolve to reposition the company as an innovative force and an industry leader. We faced the on-going challenges of increasing competition and declining consumer spending with a renewed energy and heightened focus. There was a sense of renewal emanating from the company that was reflected in our marketing, branding and product development. From the exhilaration of our Mobile TV roll out, to our star-studded Christmas Campaign we had Jamaica talking about what was happening at LIME.

RECLAIMING OUR ROLE AS INDUSTRY INNOVATOR

In December 2010 LIME excited the Jamaican mobile market with the introduction of Mobile TV – the first service of its kind in Jamaica and the Caribbean. This cutting edge service has again positioned our company as a telecoms innovator and continues our tradition of being the first to market with telecoms services that enhance the lives of Jamaican people.

The launch of Mobile TV also signalled our entry into the content provision market, an area that we feel holds great potential for revenue generation. In the upcoming year, we will be providing novel and exciting programming to drive the continued uptake of this service.

Another significant LIME innovation was becoming the first telecoms provider to install Fibre to the Home (FTTH) in new housing developments. Rhyne Park in Montego Bay, which is scheduled to open in June 2011, will be the first community in Jamaica with FTTH. The next such development is expected to be the Little Bay Country Club in Negril, where we are working with the developers, Selective Homes, to create the country's first "intelligent homes" with state-of-the-art communications capabilities.

FTTH will provide robust, reliable, lightning fast high speed Internet service 100 times quicker than ADSL or wireless broadband. The fibre-based Internet will deliver numerous services including video streaming, voice and data communication, closed circuit surveillance and subscriber TV.

TELECOMS PARTNER OF CHOICE

We confirmed our position as Jamaica's premier telecoms provider for Corporate, Enterprise and Government clients with a series of landmark deals.

In early 2011, we signed a five-year agreement with the Government of Jamaica, valued at more than $300 million, to build out a major portion of the island-wide broadband network which will provide internet connectivity to public schools, libraries, post offices and other locations across the country. Although we will reap significant commercial benefits from this project, as a Jamaican company we are proud to play such a pivotal role in an initiative which will give thousands of citizens access to information and communication technology, which is a critical tool for national development.

Another major deal we closed during the fiscal year saw us unseating our competitors as the mobile provider for the National Council of Taxi Associations (NCOTA). LIME is now providing Closed User Group (CUG) mobile service for the 21,000 members of the various licensed Taxi Associations that fall under NCOTA's umbrella making it one of the largest CUG deals ever signed in our company's history.

LIME Jamaica was also extremely proud to have won a bid to supply a state-of-the-art, comprehensive, voice telephony solution for National Commercial Bank (NCB) which will significantly upgrade the communication system at the Bank's major locations. We collaborated with AVAYA, a global leader in enterprise communications systems, to provide a custom-designed solution which will enhance NCB's internal and external telephony communications and strengthen the operations of the Bank's Call Centre.

INVESTING FOR THE FUTURE

We expanded our 3G Network giving customers beyond Kingston and St. Andrew the chance to enjoy a vastly enhanced mobile experience. LIME 3G wireless data service is now up and running in Portmore, Spanish Town and throughout the North Coast hospitality corridor including Ocho Rios, Montego Bay and Negril. Customers in these areas now have the ease and convenience of high speed mobile data service which enables them to enjoy their favourite online activities while on the go. In addition, we completed the roll out of 70 new cell sites to bolster our voice coverage in rural Jamaica.

During the year we also continued to upgrade and expand our internet network to maintain our market leadership position. We undertook a $620 million network improvement programme which upgraded our infrastructure to enable us to offer higher speeds and more reliable service. This additional investment brings the total expenditure on the network in the last two years to more than $1 billion.

We also delivered on our commitment to continually increase the number of locations where customers can do business with us. During the year, we opened 25 new retail locations representing an investment of more than $80 million. Many of the new stores are in prime locations which are easily accessible to our customers including the popular Sovereign Centre in Kingston and the new Fairview Mall in Montego Bay.

REPOSITIONING OUR BRAND

It was hard to miss the vibrant new look and feel of our brand as we significantly increased our visibility during the last fiscal year. Our bold, new, edgy image accentuated with eye-catching colours went over well with our customers and the wider public. To promote the new look of LIME we enlisted a vast array of celebrity brand endorsers which included many of our country's most popular entertainers. For Christmas 2010 we unveiled a celebrity driven advertising campaign which was undoubtedly the most talked about promotion of the season.

OUTLOOK

While our business continues to face considerable challenges, there is now a clear strategic vision for the future. We will continue to bring the latest voice, broadband and entertainment technologies to the market. Our revitalized brand is now resonating with the public and we have the most committed team of colleagues who are united in seeing our business succeed. We are confident that this arsenal of complementary assets will allow us to successfully navigate the intensely competitive and harsh economic environment toward profitability in the future.

Garfield Sinclair
Managing Director

Management Discussion & Analysis

	J $'000 2011	J $'000 2010	J $'000 2009	J $'000 2008	J $'000 2007
Ordinary Stock - Issued	16,817,440	16,817,440	16,817,440	16,817,440	16,817,440
Shareholders' Equity	5,788,113	11,934,987	15,387,416	14,695,499	20,321,828
Market Capitalisation	3,531,662	7,399,673	7,567,848	13,117,603	16,649,265
Borrowings	20,691,857	14,554,997	12,734,281	10,184,650	7,400,118
Capital Investment	6,135,872	4,064,732	5,041,726	6,107,217	4,076,898
Total Assets	35,723,255	34,958,652	37,492,671	35,403,716	40,146,116
PROFIT & LOSS ACCOUNT					
Turnover	**20,787,973**	**22,046,168**	**21,992,857**	**22,894,540**	**24,680,778**
(Loss)/Profit before Tax	(4,522,902)	(5,670,624)	(369,555)	(7,216,382)	3,137,299
Net (Loss)/Profit attributable to Stockholders	(6,111,526)	(3,388,191)	(302,825)	(4,194,698)	2,053,766
Dividends	-	-	-	504,526	672,697
IMPORTANT RATIOS					
Debt to Equity	357%	122%	83%	69%	36%
Return on Equity	(106%)	(28%)	(2%)	(29%)	10%
(Loss)/Earning per Stock (¢)	(36.34)	(20.15)	(1.80)	(24.94)	12.20
Closing Share Price	0.21	0.44	0.45	0.78	0.99
Price Earning Ratio	(0.58)	(2.18)	(25.00)	(3.13)	8.11

CORE BUSINESS

Cable & Wireless Jamaica Limited, trading and branded as LIME, together with its subsidiaries (hereafter collectively called 'LIME') comprise the country's leading provider of integrated telecommunications services. LIME's goals and objectives centre on making it simple, easy and affordable for Jamaicans to communicate using our mobile, broadband and fixed line services.

A member of Cable & Wireless Communications Plc's group of companies, LIME provides unsurpassed world-class connectivity across the Caribbean, to North America, Europe and the rest of the world. LIME's integrated, state-of-the-art telecoms infrastructure facilitates the provision of tailored solutions that meet the dynamic business and personal communications needs of its customers, while providing excellent value for money across all services.
LIME's comprehensive range of solutions include Metro-Ethernet and Multi-Protocol Label Switching (MPLS); high speed Internet access; GSM, 3G and Mobile TV services as well as fixed line business and residential services with a full suite of value-added features. Additionally, Jamaica Digiport International Limited provides customized solutions to entities operating in Jamaica's Free Zones.
Continuous upgrading and expansion of LIME's mobile, internet and IP networks ensures that Jamaica continues to enjoy world-class telecommunications services with the highest standards of performance and reliability.

LIME is also an industry innovator, continuously launching new products and unveiling novel services to satisfy the increasingly sophisticated demands of the Jamaican market.

OUR MISSION

To understand and deliver to our Government, Businesses and Families.

OUR VISION

Always working to improve life in the Caribbean.

OUR PROMISE

Building, connecting and serving our communities.

OUR CORE VALUES:

RESPECT
We treat our customers and each other as we want to be treated.

DELIVER
We keep our word. We do what we say we're going to do.

WIN
Caribbean people are winners. We win by helping our customers and communities to win.

INNOVATE
We always find a way to help our customers and communities - and love coming up with new ways to do it.

BALANCED PERFORMANCE

During the year under review we continued to provide innovative services and solutions across all customer segments with a diverse set of products, incorporating new technologies. Business and residential customers registered their approval of our products and services with higher customer satisfaction scores. We continued to focus on reducing our level of churn which was primarily due to credit related issues along with a deliberate phasing out of prepaid mobile phone subsidies. We also placed considerable emphasis on achieving regulatory parity in order to ensure the continuation of a vibrant and competitive market for mobile voice and data communication, which, if achieved, should bear fruit in the new financial year.

THE BUSINESS CUSTOMER

LIME continued to earn Trusted Advisor status among our Business and Government customer segments, by offering solutions tailored to meet their unique requirements. Projects such as E-Learning, E-mail hosting facilities for the Jamaica Constabulary Force (JCF) and Closed User Group (CUG) phone services to facilitate Statistical Institute of Jamaica (STATIN) census taking activities, illustrate our commitment to forging strategic partnerships in support of Government's agenda to improve education and national security.

On the corporate side of the business, our state-of-the-art PBX systems were selected by National Commercial Bank, Sagicor and the Guardsman Group. We installed a Wide Area Network for RBTT, provided Data Cards to Scotiabank to facilitate their island-wide mobile Wireless Point of Sale (POS) system, and won back J Wray & Nephew's Data business.

An increasing number of associations and small businesses have entrusted their mobile communication to LIME, and we have signed a number of large Closed User Group contracts which will carry over to the 2011-12 fiscal year.

We have also improved our internal capacity to sell and provide service to our more than 50,000 small and medium size enterprise customers who will directly benefit from these developments in the coming financial year.

EXPANDING OUR DATA INFRASTRUCTURE

Consistent with world trends, data connectivity for many Jamaicans has become a requirement for daily communication, whether used for business or leisure. Through the deployment of a well designed and future proofed network infrastructure, LIME continues to provide diversity of access to cutting edge technology devices and applications, while mitigating the risk of expensive, premature asset write offs.

On the Internet network, through the commissioning of additional switches and improved infrastructure, existing customers in most areas now access higher speeds and better quality of service. These improvements also provided Broadband internet access to a number of rural communities for the first time. Work was initiated on the first "Fibre to the Home" community by LIME, with several more scheduled to come on stream in the next fiscal year. Fibre to the Home will enable download speeds of up to 100MBPs.

Mobile data access at 3G speeds was expanded beyond Kingston & St. Andrew to include St. Catherine, Montego Bay in St. James and the North Coast Highway Strip. Customers with wireless data modems and mobile phones in these areas now enjoy the fastest download speeds on any mobile network in Jamaica.

EAST-WEST CABLE

In February 2011, LIME Caribbean's multi-million dollar "East-West Cable" became operational, more than doubling our wholesale carrier capacity in the region. The new cable links Jamaica and the Cayman Islands in the West to the British Virgin Islands (Tortola) through to the Dominican Republic in the East. The East-West Cable completes a Caribbean network ring, strengthening LIME's position as the leading wholesale capacity provider through the Caribbean Sea.

MOBILE TV

LIME Jamaica expanded into the entertainment space with the launch of the Caribbean's first ever digital Mobile TV service. LIME Mobile TV currently offers 12 channels with content spanning news, sports, entertainment and education. Coverage has initially been made available in the Corporate Area and St. Catherine, catering to the large number of consumers localized in these areas.

COMMUNITY MARKETING

A community approach to Marketing was pursued by LIME featuring a wide range of social partnerships and sponsorships of community events along with commercial initiatives. The increased presence of LIME in specific communities served to solidify the company's commitment to win back the hearts and minds of the Jamaican consumer.

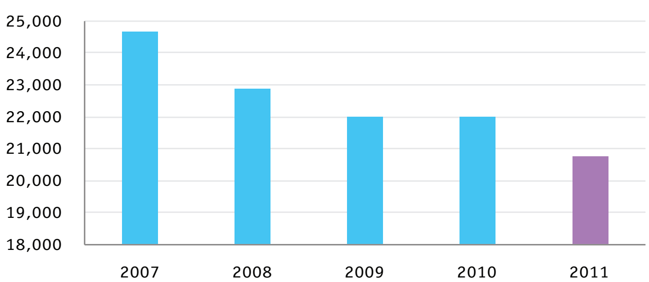
INCREASED RETAIL FOOTPRINT

We continued to increase our retail presence island-wide, targeting underserved areas, strategically positioning flagship stores, and supporting dealer locations. This approach was taken to ensure that customers could easily reach a LIME location from most residential communities or business districts.

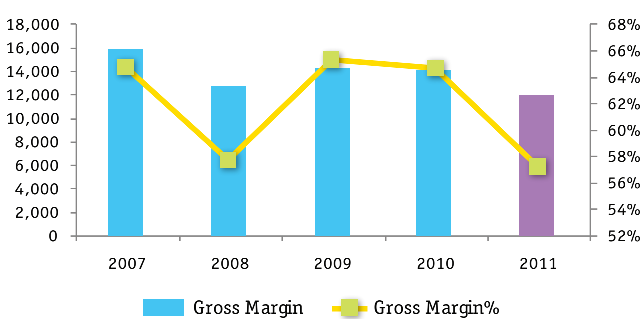
PERFORMANCE SUMMARY

Revenue for the year was J$20,788m compared with J$22,046m for the previous year, reflecting declines in fixed voice and mobile revenues, mitigated by an increase in broadband revenue. Gross Margin declined to J$11,945m compared with J$14,280m for the prior year with a percentage margin of 57% (2010: 65%). The decrease was due mainly to a one-off cost of sales adjustment in relation to fees payable to a third party telecommunications provider for mobile call termination from LIME's fixed network. Operating loss before restructuring costs was J$2,502m compared with J$2,659m for the prior year. Net Loss attributable to stockholders was J$6,112m (2010: J$3,388m) primarily as a result of reduced revenues, the one-off cost of sales adjustment and the de-recognition of deferred taxes relating to tax losses. This resulted in loss per stock unit of J36.34¢ (2010: J20.15¢).

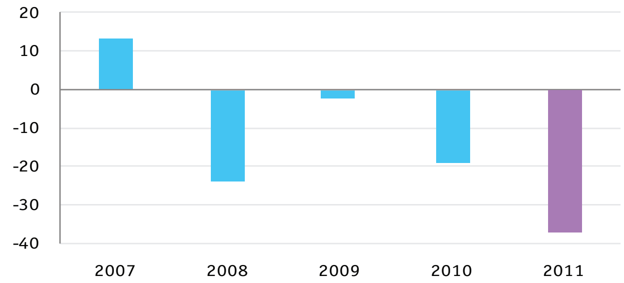
5 YEAR CONSOLIDATED REVENUES (J$MILLIONS)



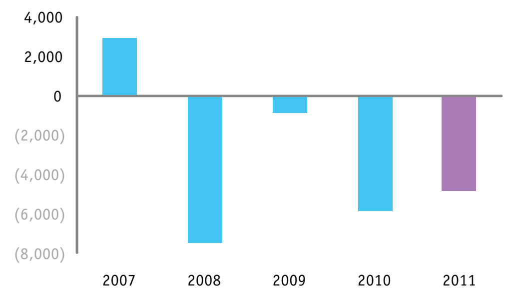
5 YEAR GROSS MARGIN VALUE J$MILLIONS & PERCENTAGE



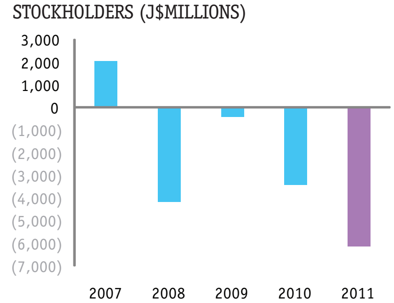
5 YEAR EARNINGS PER STOCK (J¢)



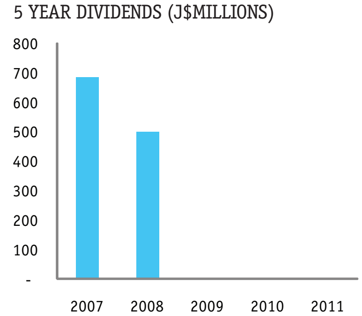
5 YEAR PROFIT BEFORE TAX (J$MILLIONS)



5 YEAR NET PROFIT ATTRIBUTABLE TO STOCKHOLDERS (J$MILLIONS)



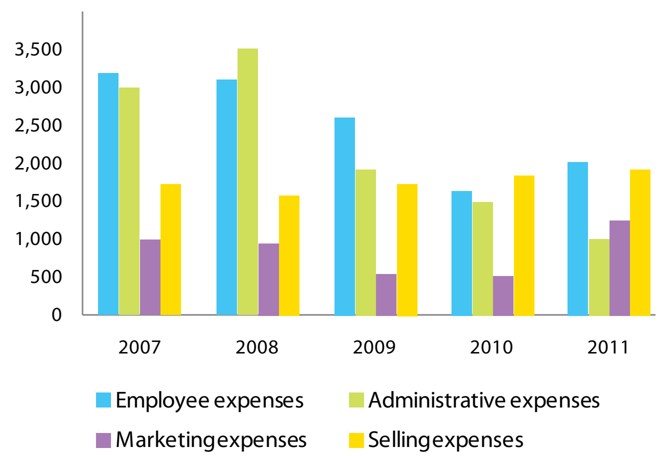
5 YEAR DIVIDENDS (J$MILLIONS)



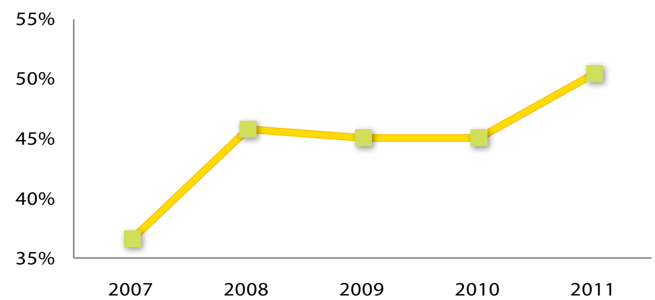
TOTAL OPERATING EXPENSES

Total Operating Expenditure (excluding depreciation & amortization) increased by 6% to J$10,485m compared with J$9,922m for the prior year. Operating expenditure as a percentage of revenue increased to 50% compared with 45% for the prior year. The increase was due mainly to advertising and marketing activities, higher employees costs due to union agreements, property cost increases as a result of higher charges for utilities and a reduction in the net expected returns on the pension assets due to reduced interest rates driven by the Jamaica Debt Exchange (JDX) initiative. Restructuring Costs of J$102m (2010: J$373m) mainly include redundancy costs associated with the tail end of the One Caribbean transformation plan, which is now complete. Net Finance Costs for the year decreased 28% to J$1,930m (2010: J$2,676m) due to the significant lowering of interest rates as a result of the JDX, but were offset by increased interest on increased borrowings. Additional interest of J$65m was booked for the one-off cost of sales adjustment in relation to fees payable to a third party telecommunications provider for mobile call termination from LIME's fixed network. *See graphs to the right.*

5 Year Operating Expenses by Type (J$MILLIONS)



OPERATING EXP AS A % REVENUES



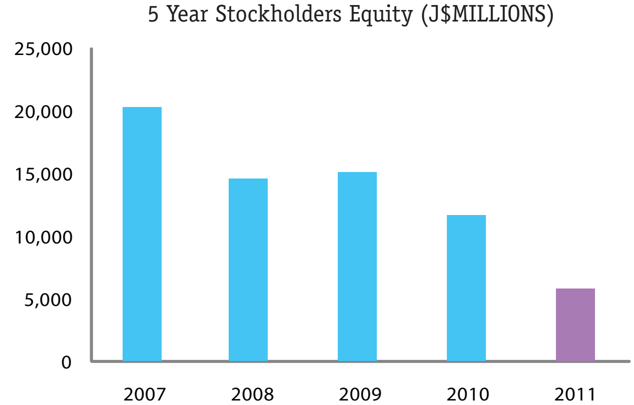
GROUP FINANCIAL POSITION

Total assets increased by J$765m to J$35,723m reflecting the increase in capital expenditure of 51% over the prior year which was mitigated by the de-recognition of a deferred tax asset of J$3,396m. Total borrowings at the end of the year of J$20,692m, increased by J$6,137m over 2010, reflecting investment in the network to improve customer experience, particularly in broadband and mobile.

STOCKHOLDERS' EQUITY

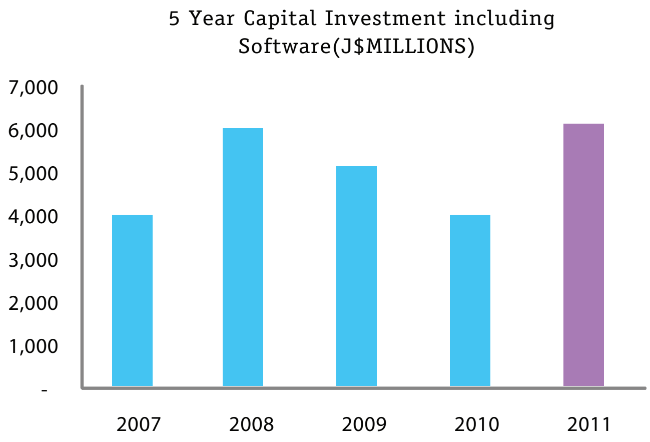
Stockholders' equity at the end of 2011 was J$5,788m compared with J$11,935m at the end of 2010 reflecting the decrease in revenues, the one-off cost of sales adjustment and the de-recognition of deferred taxes. *See graph to the right.*

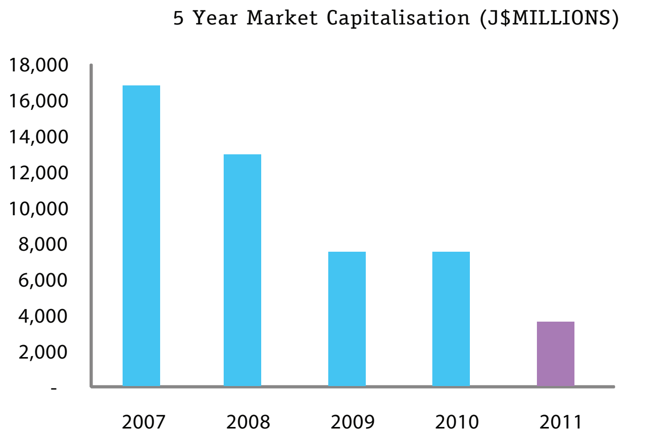
5 Year Stockholders Equity (J$MILLIONS)



CAPITAL INVESTMENT

During the year, capital expenditure of J$6,136m (2010:J$4,065m) was invested to expand and improve the mobile network, enhance the broadband infrastructure and to expand the retail footprint. *See graphs below.*





RISK MANAGEMENT

LIME has a comprehensive risk management framework to identify, evaluate and monitor the significant risk inherent in our business activities. The work of the internal audit team is supported by the executive management team and oversight is provided by the Board of Directors. LIME operates a risk management process under which key risks to plans are identified along with their likelihood and impact and the actions being taken to manage those risks. The principal risks identified by LIME are economic conditions, liquidity, competitive activity, regulatory environment, litigation, network and data security and service disruption.

ECONOMIC CONDITIONS

As with a number of businesses across the world, LIME's business has been adversely affected by the current global economic downturn. More particularly, poor national and international economic conditions may have an adverse impact on our operations. This could affect growth, profitability, and our ability to finance the business and pay dividends.

LIQUIDITY

Liquidity risk could arise where LIME does not have sufficient financial resources available to meet its obligations and commitments as they fall due, or can access funding only at excessive cost. Exceptional market events could impact LIME adversely, and affect its ability to meet obligations as they fall due. LIME seeks to mitigate these risks by ensuring that it has sufficient liquidity to fund the business. We have raised sufficient credit lines to meet medium-term liquidity needs and continue to maintain good relationships with our core banks.

COMPETITIVE ACTIVITY

We continue to respond to the intensely competitive markets in which we operate by putting in place initiatives to enhance customer experience and improve cost efficiency. Although particularly aggressive competition could drive down margins through price and promotional activity which could in turn have an effect on our profits and cash flow, we continue to invest in the quality of the network, quality of service and customer relationship systems supplemented by retention activities. We also conduct marketing analyses, run marketing promotions and focus on improving our customer service and expanding our network coverage in order to remain competitive.

REGULATORY ENVIRONMENT

The proposed merger of two mobile operators in Jamaica has highlighted the asymmetry in an outdated legislative and regulatory environment which continues to favour the largest mobile operator over others, as if it were a new entrant rather than a company with a near monopoly market share. Although the exact structure of the transaction is not public, it is clear to LIME that the parties intend to enter into an agreement that will have the effect of substantially lessening competition to the detriment of consumers. This also creates a serious risk to LIME. LIME will, however, continue lobbying the Government and regulators for changes necessary to promote fair competition in the telecommunications arena.

LITIGATION

As with most large organizations, there is a risk of litigation against LIME. Unfavourable rulings in any materially significant proceedings could significantly affect our financial performance and reputation. When facing litigation, we defend our position vigorously using appropriate legal advice and support.

SERVICE DISRUPTION

Our networks are critical to providing efficient and reliable service to our customers. Like other telecoms operators, our business depends on other network operators to provide network access and interconnection services for the origination, carriage and termination of some telecommunications services. Furthermore, our network and IT systems are vulnerable to interruption from natural disasters, fire, security breaches, terrorist action and human error. Network or IT failure could result in loss of customers and claims for loss of service affecting our reputation and results. We continue to monitor and update our business continuity and disaster recovery plans, maintain crisis management and emergency response teams as well as appropriate insurance cover. In addition we continue to upgrade our network to mitigate the effects of these risks.

NETWORK AND DATA SECURITY

Despite security management across LIME's network, there is a risk that third parties may gain unauthorised access to the network and to sensitive data. LIME has information security procedures and controls in place which are regularly reviewed and remedial action plans implemented where necessary.

INTERNAL CONTROL AND FINANCIAL REPORTING

The Board of Directors is responsible for LIME's system of internal control and for reviewing its effectiveness on a continual basis. LIME's system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, but not absolute, assurance against material misstatement or loss. The concept of reasonable assurance recognizes that the cost of control procedures should not exceed the expected benefits.

The Executive Management reports to the Board of Directors through the Managing Director, on significant changes in LIME's business and the external environment in which it operates. In addition, they provide the Board with quarterly financial information, which includes key risk and performance indicators. LIME's key internal control and monitoring procedures include the following:

Financial reporting: Each year, an annual budget is agreed and approved by the Board. At each Board meeting, actual results are reviewed and reported against budget and, when appropriate, revised forecasts.

Investment appraisal: LIME has clearly defined policies for capital expenditure. These include annual budgets and detailed appraisal processes for such expenditure.

Monitoring systems: Internal controls are monitored through a programme of internal audits. The Internal Audit function reports to the Audit Committee on its examination and evaluation of the effectiveness and adequacy of systems of internal control.

An executive committee called the Regional Operating Board also oversees the areas within which LIME is seeking to create and optimize synergies between the Caribbean business units. This team, headed by the CEO of LIME Caribbean, accordingly oversees the areas of Finance, Commercial, Operations, Legal Regulatory & Corporate Affairs, as well as Human Resources across the 14 jurisdictions, including Jamaica. It reviews the overall performance of the LIME businesses within the region and makes certain decisions about the allocation of resources among the relevant entities.

FINANCIAL CONTROLS

LIME has dedicated resources to embed processes and controls across the business. It operates a number of additional self-assessment exercises, which include monthly certification of compliance with key financial controls and an annual controls self-assessment. The latter exercise requires management to assess the effectiveness of its fundamental operating controls over all aspects of its operations, in addition to the other financial controls covered by our Financial Controls Toolkit. The results of this exercise are utilised by Internal Audit in planning its work for the forthcoming year.

EFFECTIVENESS OF INTERNAL CONTROL

The Board of Directors reviewed the effectiveness of the internal control systems in operation during the financial year. The processes as set out above have been in place for the year under review and up to the date of this Annual Report. Where appropriate, necessary action has been or is being taken to remedy any failings and weaknesses identified as significant during this review.

THE BUSINESS CONTINUITY FRAMEWORK

The Business Continuity Management (BCM) process concentrates on managing business risks to guarantee minimum downtime of services. It focuses on the determination and analysis of Single Points of Failures (SPOFs) in order to employ effective response mechanisms to minimize/eliminate interruptions to critical operations. There are robust plans in place designed to ensure quick responses to both natural and man-made disaster events. Risk exposures are determined and plans implemented to ensure compliance with international standards and team members' awareness of their responsibilities.

CRITICAL OPERATIONS

The critical operations plans address the impact that interruptions and downtime have on essential areas of our business. The plans also identify key contacts, critical internal and external suppliers, and alternate routing strategies.

DISASTER MANAGEMENT

The disaster management plans in place are designed to enable quick responses to adverse occurrences and events in order to minimize or eliminate interruptions to the business. These plans also detail responses to various occurrences including earthquakes, fires and hurricanes.

INCIDENT MANAGEMENT

A Local Incident Management Team (LIMT) is in place to manage any crisis which may arise from natural or manmade factors including network or IT failures as well as fires, hurricanes or terrorism. The team is charged with managing the response to crises from occurrence to resolution.

EMPOWERING AND DEVELOPING OUR EMPLOYEES

At LIME we believe our people are our most valuable asset and effective Human Resource Management is at the centre of our overall business strategy. Our approach to people management focuses on five main tenets:

ATTRACT - *Increase the strength of our workforce by recruiting the best in our country with a mix of global diversity.*

ENGAGE – *Learning & Development programs customized for the individual.*

BUILD – *Performance management and on the job support to improve our colleagues' capabilities.*

LEVERAGE – *Utilize the talents of individuals to grow LIME's capacity to win with its customers.*

RETAIN – *keep the best talent through reward and recognition programs.*

We continue to place significant emphasis on the ongoing development of our employees and seek to improve colleague performance and productivity by investing in training and up-skilling. Through continued investment in our world-class learning platform, Skill Soft, we've created engaging, economical value-added learning assets that are aligned with LIME's organizational goals. In the last fiscal year, in order to meet the talent needs of the organization at all levels, various programmes were developed and 'fit for purpose' training was delivered.

LEARNING AND DEVELOPMENT RESOURCES

We consolidated our existing Technical Academy, Sales Academy and the LIME Learning web portal to establish the LIME University. LIME University serves as the 'hub' for all the company's learning platforms. It includes an Internet-based webportal, an online repository of world-class courses, the Technical Academy (physical and virtual), Sales Academy, Leadership Knowledge Centre and the newly formed Management Academy.

SPECIALISED TRAINING AND CERTIFICATION

Intensive training has taken place to ensure that our Technical Team is fully equipped to support the improvement and expansion of our networks. We worked with our technology vendors to collaborate on certification courses that will keep our technicians and engineers up to date with the latest technology solutions for our customers.

Every member of our various sales teams has been enrolled in our online Sales Academy which offers courses designed to train account managers from Foundation to Mastery certification.

In order to achieve a higher status of Partnership with our vendors, we've been up skilling our technical colleagues to become certified in the product lines of our solutions providers including CISCO and AVAYA. The increase in certified technicians and engineers in LIME will allow us to access greater discounts during our acquisition of services from our Partners.

Training was provided for the Technicians who serve the company on a contractual basis to ensure their proficiency with the latest technologies and to bolster their working knowledge of LIME's products and services.

OUTLOOK

As the economic and regulatory landscapes present challenges, LIME Jamaica continues to employ innovative approaches in managing our operations. There have been significant investments in upgrading our core infrastructure and enhancing our processes to improve on product performance and customer satisfaction. Mobile TV, launched in December 2010, continues our long tradition of being the first to deliver new technologies to the market. In the coming year, added content and increased coverage will strengthen an already compelling proposition, while providing more Jamaicans with affordable access to their favorite programmes.

We have expanded our mobile 3G data coverage outside of the Corporate Area and continue to boast the highest mobile data access speeds in Jamaica. Voice coverage remains an important plank in our overall wireless strategy and there has been significant improvement in the quality of our service as we continue to upgrade to Edge Technology. We will continue to expand our network to fill the voice coverage gaps island-wide. The Fixed Line business accounts for a significant portion of our total operations, and while the global trend of Fixed-to-mobile substitution is consistent with local market behaviour, the benefits of our very reliable Fixed Line services remain relevant to the lives and activities of many Jamaicans. We continue to tailor our voice services to fit the lifestyle of our customers by providing additional Valued Added Services, increased access to our long distance products, and bundled service offers.

Our expanded Broadband Port facilities will include a number of un-served communities that will be given access to our Broadband network. Some will benefit from download speeds up to 100 MPS, more than 10 times the speed of existing packages, as the roll out of our Fibre to the Curb solution continues. Customers will also be given greater package options for bundling voice and Internet, with an additional layer of TV access.

Our Business customers will continue to benefit from world class service and cutting edge technology with the introduction of a number of new services for greater connectivity and redundancy. Retaining business from our customers forms part of our core activities each year. Our commitment to keeping customers satisfied through quality of service and speedy fault resolution was further strengthened by the introduction of a number of initiatives. Pro-active customer intervention, Loyalty and Retention Rewards programmes, improved customer experience in stores, VIP segmentation and attractive product bundles will all form a part of an integrated set of churn management initiatives.

In order to return to profitability, LIME will continue its strategic marketing thrust and community based activities, while improving the value of its offers and range of affordable solutions for the Jamaican customer. It must be noted however, that the current regulatory environment and the potential merger of two of our primary mobile phone competitors could have a negative impact on the level of market competitiveness. LIME will therefore continue to engage government, consumer advocates and regulatory bodies towards the creation of a more level playing field for all telecom operators which will redound to the benefit of consumers.

LIME SCORES BIG: Football fans in St. Catherine had a lot to cheer about this year as the beautiful game made a big comeback in that parish thanks to the $15 million sponsorship deal we signed with the St. Catherine Football Association.

KEEPING ATHLETICS ON TRACK: Our sponsorship of the CARIFTA Games is an investment in the future of regional athletics. Our Regional Vice President, Marketing & Corporate Communications, Grace Silvera (second left), Neville 'Teddy' McCook (left), President of the North America Central America & Caribbean Athletics Association (NACAC), Hon. Olivia Grange (second right), Minister of Youth Sports & Culture and LIME Sports Ambassador, Asafa Powell sign to seal the $36 million sponsorship deal.

Building Great Communities

Giving back to our communities is an investment in our country's future.

HANDS ON: LIME Jamaica employees removing garbage from Fort Rocky Beach during the Jamaica Environment Trust's Beach Clean Up exercise in September 2010.

LIME STYLE: Chairman of the LIME Foundation Errol K. Miller (centre) gets fashion tips from Holmwood High School high-jumper, Daeyna Gayle while Jamaica College shot-putter Shaquelle Lewis laughs at them both. LIME feted several of student athletes before they left Jamaica for the 2011 Penn Relays in Pennsylvania.

Building Great Communities

We have a proud history as an outstanding Corporate Citizen, supporting initiatives, causes and programmes that promote social development. Over this period we channelled our benevolence, social outreach and volunteerism into areas that touch the lives of many Jamaicans.

MASSIVE INVESTMENT IN YOUTH ATHLETICS

To help ensure the continuation of Jamaica's dominance in the world of Track & Field, we have become the country's major sponsor of Youth Athletics. In the last fiscal year, more than $30 million was invested in programmes that will assist in preparing the next generation of champions.

We signed a $21 million sponsorship deal with the Jamaica Amateur Athletics Association (JAAA) to finance Jamaica's Junior Athletics Programme for the next three years. We also continued our support of the Boys and Girls Athletics Championships with an $8 million allocation to the Inter-Secondary Schools Sports Association (ISSA) for the staging of the meet in 2010.

Continuing a long-standing company tradition, we provided $800,000 to help local educational institutions send teams to the Penn Relays for the 18th consecutive year. With our support, athletes from 16 high schools and colleges were able to attend the prestigious meet which was held at the University of Pennsylvania in April.

In addition, we threw our full weight behind LIME Caribbean's regional sponsorship of the CARIFTA Games, the largest Junior Track & Field meet in the region. We also pumped more than $20 million into the staging of the Games and the financing of the region-wide television broadcast which brought the action into Caribbean homes for the first time in the meet's 29 year history.

$36 MILLION FOR SPORTS SPONSORSHIPS

Sport is our 'gold.' It defines who we are as a people and sets us apart on the world stage. Our involvement with Sports went well beyond Track & Field and in 2010 more than $36 million was invested in various other sporting disciplines.

Football is near and dear to the hearts of our people. In September 2010, we gave a much needed boost to the St. Catherine Football Association with a three-year sponsorship valued at $15M. Then, in January 2011 we launched the LIME/INSPORTS Primary Football League which will bring together teams from more than 200 boys and girls primary schools to compete for a national championship. The new League, which is being funded by a $20 million sponsorship package, is currently the biggest primary level football competition in the Caribbean.

LIME also splashed out on swimming with a $500,000 contribution to the YMCA for the staging of the 2011 Karl Dalhouse Swim Meet. We also continued our longstanding support of Secondary Schools' Tennis and Badminton with each sport receiving approximately $3 million. In addition, we were the title sponsors of the Jamaica Golf Open for the second consecutive year with a cash and service package valued at $4.3 million.

SUPPORTING EDUCATION

The biggest single social outreach initiative undertaken by LIME in 2010-11 was "Skool Aid" - a massive back-to-school fair which was held at the Jamworld Entertainment Centre in Portmore in August. The two-day expo provided a "one-stop shop" where parents, guardians and students could get practically everything that they needed to start the new school year on the right foot. Thousands of school-aged children received free health and dental checks, immunizations, haircuts and school supplies courtesy of LIME.

HEAD OF THE CLASS: LIME Jamaica's Purchasing Manager, Karlene Webster (centre) shares her love of reading with students at the Allman Town Infant School.

"Skool Aid" also featured the largest temporary amusement park ever erected in Jamaica with rides, games and other attractions which thrilled the thousands of adults and children who attended. Each day's activities closed with a concert featuring some of Jamaica's most popular entertainers.

Building on the momentum from "Skool Aid", LIME also staged the Campus Crew Tour during the first term of the new school year. The Tour featured a series of concerts at several schools across St. Catherine with performances from popular local artistes who promoted a pro-education message and encouraged the students to make responsible life choices. We also donated three new computers and free internet service to all of the schools that were visited on the tour.

ANSWERING THE CALL FROM OUR COMMUNITIES

We solidified our community connections by helping to make life better particularly for citizens from under-served areas. LIME transformed the Naggo Head Bus Park into a full service Transport Centre with an investment of $13 million. We also undertook a massive redevelopment project to beautify and modernize the Hellshire Beach.

With a donation of $2 million LIME helped the Westchester Citizens' Association to refurbish their community centre which serves as a meeting place and head quarters for several Community Based Organisations. Also, for the third consecutive year we contributed $1 million to assist with the staging of activities to mark National Child Month in May.

LIME also answered the call of the Ministry of Health, providing 900 meals over three days for staff at Kingston Public Hospital and the Victoria Jubilee Hospital when food supplies ran low at both institutions in the wake of the security operations in West Kingston in May 2010. We also brought entertainment, excitement and good cheers to the people of St. Catherine during the yuletide season with our LIME Christmas Village.

$12 MILLION TO BUILD SAFE COMMUNITIES

As opinion polls continued to reflect that the country's crime rate is a major source of concern for most citizens, we stepped up our support for the security forces.

When the Jamaica Constabulary Force (JCF) appealed to Corporate Jamaica for contributions to rehabilitate their Headquarters' Armoury, LIME underwrote the full cost of a major reconstruction project at the facility. The Armoury had come to national attention in February 2010 when it was ordered closed by the Minister of National Security, Senator Dwight Nelson, because of major security breaches.

LIME's $8 million allocation to the JCF financed the creation of a highly secure storage area for weapons and ammunition and major improvements to the workspace of the officers who serve at the Armoury. As a result, 11 months after it was ordered closed the country's largest munitions storage facility was officially reopened.

Last year, we also took our sponsorship of the Private Sector Organisation of Jamaica's (PSOJ) Crime Stop Programme to a higher level by providing financing to assist with the expansion of its operations. In September 2010, the $1.5 million state-of-the-art LIME/Crime Stop Caribbean Call Centre was established to enable the local Crime Stop team to provide call answering services for counterpart organisations in other Caribbean countries. LIME also provided a further $2.7 million to renew its sponsorship of Crime Stop's media programme for the seventh consecutive year.

EMPLOYEE VOLUNTEERISM ALIVE AND STRONG!

Employee volunteerism has long been a cornerstone of LIME's social outreach efforts with staff members unhesitatingly giving of their time and personal resources to various causes. For the 2010-11 fiscal year, colleagues were challenged to have at least one performance objective that would impact on our communities and the concept was embraced with great enthusiasm.

A Team from our Finance Division gave two days of service at the Golden Age Home for the elderly; carrying out much needed refurbishing work on one of the Home's housing clusters. They also treated all 480 of the Home's elderly residents to lunch, the cost of which was offset by the wider staff body who donated company lunch tickets.

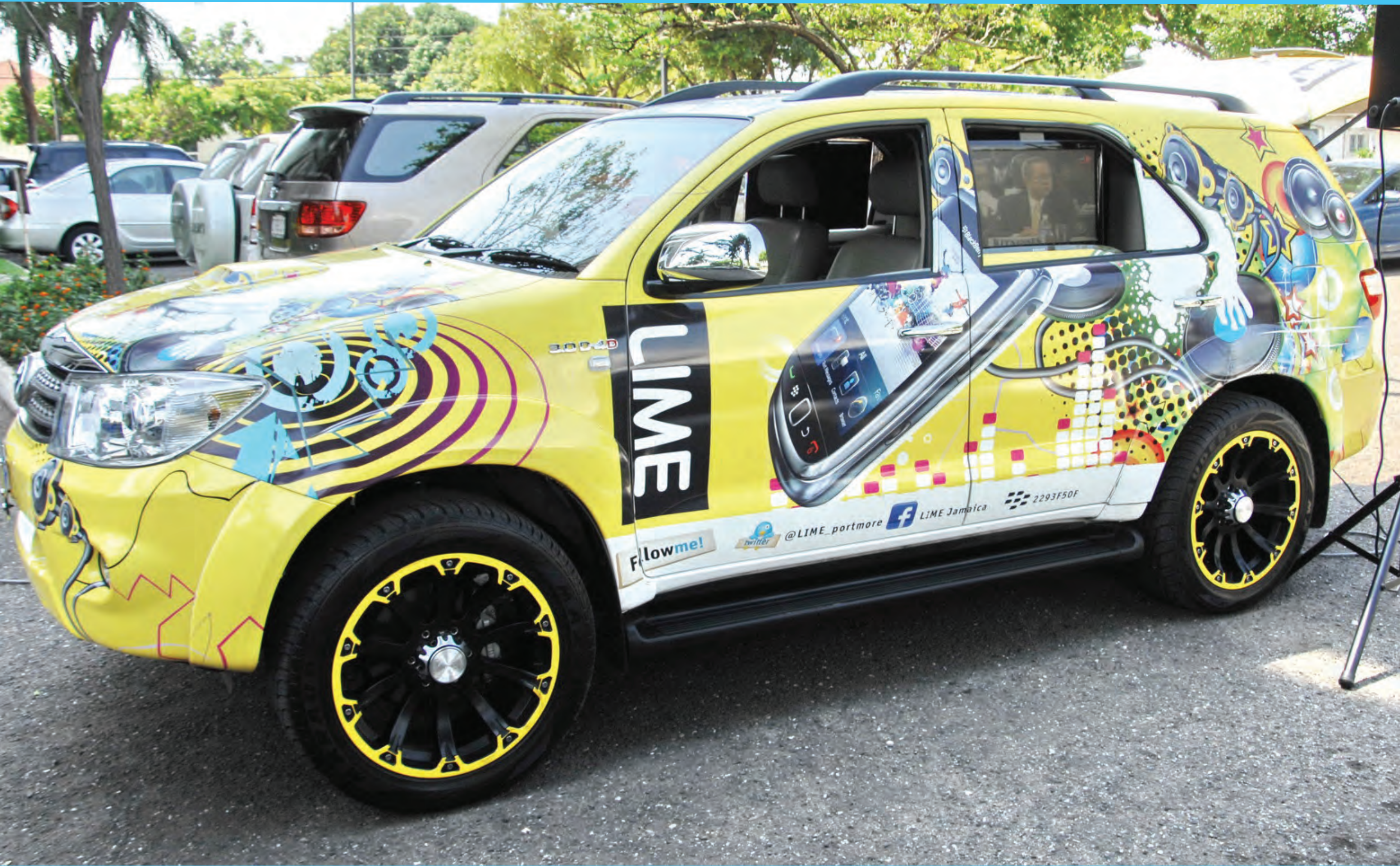
In a separate effort, representatives from LIME's Technology Division repainted a section of the Sandy Bay Primary & Junior High School in Hanover and donated musical instruments to the school's marching band. Additionally, colleagues from the company's Procurement Department visited the Allman Town Infant School for their "Crazy Dress Day" and presented the staff and students with gifts including electronic equipment, books and teaching materials.

Not to be outdone, our Marketing Department spearheaded a refurbishing project at the Stony Hill Police Station. The Corporate Communications Team also assembled a group of more than 90 volunteers who participated in a 'Beach Clean Up' exercise which was organised by the Jamaica Environment Trust to mark International Coastal Clean Up Day observed in September.

MAKING A SPLASH: There was laughter and smiles all around when LIME's Corporate Communications Manager, Camille Taylor (right) presented the company's $500,000 sponsorship cheque for the 'Y' Speedos Karl Dalhouse Swim Meet to Dr Brian James (centre) and Meet Director and President of the 'Y' Speedos Swim Club, Martin Lyn.

VOLUNTEERISM IN ACTION: LIME employees helping to beautify the Stony Hill Police Station.

SETTING THE PACE: The Portmore Pacesetters Band, one of several community based performing arts groups sponsored by LIME.



TV TO GO: The LIME Mobile TV Vehicle, an entertainment centre on wheels that innovatively showcases the ingenuity of our Mobile TV service.

Marketing Highlights

With a dazzling new look, exciting sponsorships and groundbreaking promotions we made a bold statement.

Marketing Highlights

MASSIVE RESPONSE: All roads led to the Jamworld Entertainment Complex in Portmore for "Skool Aid", our back to School Fair which was held in August 2010.

STAR POWER: During our 2010 Christmas Campaign we gave back to our customers with a series of free community concerts featuring Jamaica's most in-demand performers. International super star Shaggy (right) made a surprise guest appearance at our show in Santa Cruz, St. Elizabeth and spent time meeting and greeting fans after the concert.

With a dazzling new look, exciting sponsorships and cutting-edge technology, we made a bold statement and underscored our position as market leaders.

Last August, we invaded Portmore and made a tremendous impact on the lives of the residents of the Sunshine City.

HELLSHIRE BEACH

We connected with members of the Hellshire community by beautifying the beach facilities, sponsoring events at the beach and providing gear and other supplies for the fishermen.

MAKING SAFETY A PRIORITY

LIME's team of celebrity spokespersons were at the front and centre of a road safety campaign we unveiled for residents of the Sunshine City. LIME's All Star cast appeared on the billboards and other signs which were erected across the municipality.

THE 'LIME' OF THE PARTY

Whether it was strutting down the catwalk during LIME's Fashion Night Out, partying with the LIME deejays at the Blaze Night Club or the explosive display of fireworks on Port Henderson Road on New Year's Eve, LIME was the life of the party in Portmore last year.

LIME turned up the heat last Christmas with a star-packed holiday promotion headlined by some of the country's hottest celebrities. Many of our star entertainers took to the stage at the LIME Christmas Village which was set up in Portmore for the holiday season. We welcomed more than 25000 guests as we joined citizens from the Sunshine City and beyond to celebrate the 12 Days of Christmas at the Mega Mart roundabout in Passagefort.

DELIVERING GREAT ENTERTAINMENT

LIME made history when we broadcasted the 27th staging of Sting, the "Greatest One Night Reggae Show on Earth" to over 3000 subscribers on our Mobile TV service. Dancehall fans were treated to crystal clear digital quality entertainment in the palms of their hands while LIME feted thousands more patrons inside the JamWorld venue in Portmore. In January we did it again when we broadcast Jamaica's most popular roots reggae show, Rebel Salute.

MARKETING PRESENCE: Our Head of Events and Promotions, Tara Playfair-Scott holding centre stage at a LIME marketing event.

TV IN THE PALM OF YOUR HAND: LIME's Branding Manager, Stephen Miller (left) shows Rebel Salute promoters Jayudah Barrett (centre) and Tony Rebel how to access premium programming on a Mobile TV Phone.

HARD AT PLAY: LIME Staff members celebrating the success of the 2010 Christmas Promotion. The celebrity driven advertising campaign was headlined by some of the country's most popular entertainers.

Directors' Report

The Directors are pleased to present their Report and the audited Financial Statements for the year ended March 31, 2011.

Financial Results: Results for the year are set out in pages 42 to 91. Highlights thereof are set out below:

	2011	2010
	$ MILLION	$ MILLION
Turnover	20,788	22,046
Net Loss	(6,112)	(3,388)
Total Net Assets	5,788	11,935
Dividend Paid	—	—

Dividends: The Directors have not recommended that a dividend be paid in respect of the year ended March 31, 2011.

The Board: The Directors who served the Company since the last Annual General Meeting are:

Mr. Christopher Dehring	
Mr. Andrew Cocking	
Mr. William "Geoff" Houston	Resigned effective October 1, 2010
Mr. Kenneth McFadyen	
Mr. Mark Kerr-Jarrett, J.P.	
Hon. Patrick Rousseau, O.J.	
Mr. David Shaw	
Mr. Garfield Sinclair	Appointed effective October 1, 2010

In accordance with Article 99 of the Articles of Incorporation, Messrs Kenneth McFadyen and Mark Kerr-Jarrett will retire by rotation, and being eligible, offer themselves for re-election.

Mr. Garfield Sinclair having been appointed since the last Annual General Meeting shall resign and offer himself for election to the Board.

Auditors: Messrs. KPMG, the retiring auditors, having signified their willingness to continue in office, will be deemed reappointed in accordance with Section 154(2) of the Companies Act.

The Directors wish to express their thanks to the management and staff for their continued commitment and hard work.

On behalf of the Directors,

Christopher Dehring
Chairman

May 24, 2011

Delivering for Our Customers

Our experts continually devise technological solutions to meet each customer's unique specifications.

LIME delivered for Sagicor.

IVAN CARTER, EVP & CFO, SAGICOR LIFE JAMAICA

As a leading entity in the financial services sector, Sagicor Life Jamaica is heavily dependent on an optimal telecommunications network, for without this Sagicor would be faced with significant operational challenges.

According to Ivan Carter, Chief Financial Officer of Sagicor Life Jamaica, their relationship with LIME can be described as: **"a long-standing and deep relationship"**. LIME has been a critical element in ensuring that Sagicor Jamaica's telecommunications needs are continually met… As Carter puts it: **"telecommunications is a significant and important part of our modus operanda."**

Since he joined Sagicor Life Jamaica in 2003, he has been a key player in Sagicor's continued drive for operational and cost efficiencies. It is no surprise, therefore, that he applauds LIME for its expertise and guidance in the area of communications cost savings. According to Mr. Carter, LIME was able to assist Sagicor with the recent implementation of a new communications strategy and about 15 cost saving initiatives which are expected, to reduce their telecommunications costs by approximately 40% by 2012.

The new communications strategy at Sagicor includes the installation of an IP telephony structure which took the Sagicor Group from an "inefficient, inflexible and expensive to maintain analog/digital PBX system"to **"an AVAYA IP Telephony system with latest technologies and tremendous capabilities".**

Carter went on to explain that another aspect of Sagicor Jamaica's new communication strategy is to use communications to improve their customer experience. The company therefore embarked on a mission to implement a new state-of-the-art contact centre. LIME was charged with the responsibility of designing, sourcing and installing the new world-class equipment necessary for this advanced contact centre. Today the contact centre has reached best-in-class call performance.

Yet another aspect of the new communications strategy was the expansion of the Closed User Group (CUG) at Sagicor. Sagicor increased the number of managers, technical staff and sales representatives in the CUG, refreshed the equipment in use while at the same time pushing the use of Blackberry devices throughout the organization. He states "more of us can now communicate when-ever and where-ever".

So why does Sagicor Jamaica look to LIME for their telecommunications needs?

Carter put it simply: **"LIME brings flexibility; LIME has the resources…LIME offers a full range of services…LIME has the Caribbean reach."** Additionally he says that: **"Management at LIME listens to you the customer…takes action…and follows through on issues. They go the extra mile to help and support the customer…they come up with a solution that significantly lifts the customer's state."**

Service at its best...

SANDRA FORBES, GRACE KENNEDY REMITTANCE SERVICES LTD.

How long has your company been with LIME?
We've been with LIME for a long time, and we've been very happy with the company.

What changes have you seen in LIME?
LIME has become more dynamic and adept at providing the services we need. They've kept on track with technology.

What does LIME do for your division (marketing)?
Well personally I've been a LIME customer for life...I have a LIME phone. We use SMS for our customers; it's direct, cost-effective, and we love it.

What big advantage does LIME bring?
Our IT division uses LIME because most of the time we run several promotions simultaneously so we need effective, targeted communications. That's why we like tools like SMS.

You must have been approached by other suppliers over the years.
We have been with LIME for many, many years, and they provide the services we need, so if it isn't broke don't fix it. I think we'll be with LIME for a long time.

How does LIME help you in marketing?
We have over 35 agents across Jamaica, and LIME has helped to keep us connected. Our subsidiary Western Union is also worldwide, so we keep connected with our overseas partners. Western Union is "money in minutes", and they help us to do that, to deliver "money in minutes".

Has LIME helped to contribute to your bottom line?
LIME is a fabulous partner; we literally cannot do without LIME. We have a call centre and we have 40 people taking calls all day, and we could not do that without LIME.

What's the one thing you would tell someone about LIME?
LIME every time. Why choose anybody else? As I said before, if it's not broken, why fix it?

What makes LIME different?

LIME is tradition; it's a part of our culture, they've been around for many years. The name may have changed, but LIME has always been with us, and they are here to stay forever.

So they listen to you?
We get excellent customer service; instant responses; they solve the problem every time. LIME is a part of Jamaica and it's a part of us.

LIME

Cable & Wireless Jamaica Limited
Financial Statements
March 31, 2011

Independent Auditor's Report

KPMG
Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

To the Members of
CABLE & WIRELESS JAMAICA LIMITED

Report on the Financial Statements

We have audited the consolidated financial statements of Cable & Wireless Jamaica Limited ("the company") and its subsidiaries ("the group"), set out on pages 42 to 91, which comprise the group's statement of financial position as at March 31, 2011, the group's statements of income, comprehensive income, changes in stockholders' equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

KPMG

To the Members of
CABLE & WIRELESS JAMAICA LIMITED

Report on the Financial Statements, continued

Opinion

In our opinion, the financial statements give a true and fair view of the financial positions of the company and the group as at March 31, 2011, and of the company's and the group's financial performance, changes in stockholders' equity and cash flows for the year then ended, in accordance with International Financial Reporting Standards and the Jamaican Companies Act, so far as concerns members of the company.

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act in the manner required.

KPMG

Chartered Accountants
Kingston, Jamaica

May 24, 2011

Group Income Statement

Year Ended March 31, 2011

	Notes	2011 $'000	2010 $'000
Revenue	2(e)	20,787,973	22,046,168
Outpayments		(6,334,705)	(5,103,950)
Other cost of sales		(2,507,972)	(2,662,550)
Total cost of sales		(8,842,677)	(7,766,500)
Gross margin		**11,945,296**	**14,279,668**
Other operating income		184,210	-
Gross operating income		12,129,506	14,279,668
Employee expenses	3	(3,726,996)	(3,082,848)
Administrative, marketing and selling expenses	4	(6,758,080)	(6,839,414)
Depreciation and amortisation	6	(4,146,742)	(7,016,464)
Total operating expenses		**(14,631,818)**	**(16,938,726)**
Operating loss before restructuring costs		**(2,502,312)**	**(2,659,058)**
Restructuring costs	3	(101,883)	(372,709)
Operating loss before net finance costs		**(2,604,195)**	**(3,031,767)**
Net finance costs:			
Foreign exchange (losses)/gains		(163,125)	197,236
Other finance costs		(1,799,318)	(2,914,317)
Finance income		32,350	40,780
	5	(1,930,093)	(2,676,301)
Other income		11,386	37,444
Loss before taxation	**6**	**(4,522,902)**	**(5,670,624)**
Taxation	7	(1,588,624)	2,282,433
Loss attributable to stockholders		**(6,111,526)**	**(3,388,191)**
Dealt with in the financial statements of:			
The company		(6,148,783)	(3,331,293)
The subsidiaries		37,257	(56,898)
		(6,111,526)	(3,388,191)
Loss per sock unit	8	(36.34¢)	(20.15¢)

The accompanying notes form an integral part of the financial statements.

Group Statement of Comprehensive Income

Year Ended March 31, 2011	Notes	2011 $'000	2010 $'000
Loss for the year		(6,111,526)	(3,388,191)
Other comprehensive (loss)/income for the year:			
Unrealised translation adjustments on consolidation		(33,564)	9,138
Actuarial losses on employee benefits assets		(2,451)	(200,043)
		(36,015)	(190,905)
Deferred taxes on employee benefits	26	667	126,667
Total other comprehensive loss for the year, net of tax		(35,348)	(64,238)
Total comprehensive loss for the year		(6,146,874)	(3,452,429)

The accompanying notes form an integral part of the financial statements.

Group Statement of Financial Position

Year Ended March 31, 2011	Notes	2011 $'000	2010 $'000
Property, plant and equipment	9(a)	25,949,264	24,059,289
Intangible assets	10	184,583	330,744
Deferred expenditure	11	116,634	40,660
Net investment in finance leases	2(q)(ii)	83,487	200,928
Employee benefits assets	12 (a)	3,145,000	2,974,000
Deferred tax asset	26	-	1,274,147
Total non-current assets		29,478,968	28,879,768
Cash and cash equivalents	13	313,660	364,590
Accounts receivable	14	3,851,961	3,954,495
Prepaid expenses		400,972	437,765
Due from related companies	15	876,306	710,697
Taxation recoverable		107,978	109,214
Inventories	16	302,359	311,572
Current portion of deferred expenditure	11	332,018	190,551
Current portion of net investment in finance lease	2(q)(ii)	59,033	-
Total current assets		6,244,287	6,078,884
TOTAL ASSETS		**35,723,255**	**34,958,652**
Share capital	17	16,817,440	16,817,440
Reserves	18	2,370,201	2,289,765
Accumulated deficit		(13,399,528)	(7,172,218)
TOTAL EQUITY		**5,788,113**	**11,934,987**
Bank overdraft	19	113,148	-
Trade and other accounts payable	20	7,731,031	7,104,162
Provisions	21	47,897	67,022
Short term loan	22	430,000	-
Current portion of long-term loan	23	15,697	16,384
Due to related companies	15	172,407	180,059
Total current liabilities		8,510,180	7,367,627
Provisions	21	1,006,459	1,117,425
Long-term loan	23	263,207	281,221
Due to other group companies	24	19,869,805	14,257,392
Deferred income	25	285,491	-
Total non-current liabilities		21,424,962	15,656,038
TOTAL LIABILITIES		**29,935,142**	**23,023,665**
TOTAL EQUITY AND LIABILITIES		**35,723,255**	**34,958,652**

The financial statements on pages 42 to 91 were approved by the Board of Directors on May 24, 2011 and signed on its behalf by:

Director Andrew Cocking ________________ Director Garfield Sinclair ________________

The accompanying notes form an integral part of the financial statements.

Group Statement of Changes in Stockholders' Equity

Year Ended March 31, 2011

	Share Capital $'000 (Note 17)	Reserves $'000 (Note 18)	Accumulated Deficit $'000	Total $'000
Balances at March 31, 2009	16,817,440	2,425,293	(3,855,317)	15,387,416
Loss for the year	-	-	(3,388,191)	(3,388,191)
Other comprehensive (loss)/income:				
Unrealised translation adjustments on consolidation	-	9,138	-	9,138
Actuarial losses, net of tax	-	-	(73,376)	(73,376)
Total comprehensive loss for the year	-	9,138	(3,461,567)	(3,452,429)
Transfer from employee benefits reserve	-	(144,666)	144,666	-
Balances at March 31, 2010	16,817,440	2,289,765	(7,172,218)	11,934,987
Loss for the year	-	-	(6,111,526)	(6,111,526)
Other comprehensive loss:				
Unrealised transition adjustments on consolidation	-	(33,564)	-	(33,564)
Actuarial losses, net of tax	-	-	(1,784)	(1,784)
Total comprehensive loss for the year	-	(33,564)	(6,113,310)	(6,146,874)
Transfer from employee benefits reserve	-	114,000	(114,000)	-
Balances at March 31, 2011	16,817,440	2,370,201	(13,399,528)	5,788,113

The accompanying notes form an integral part of the financial statements.

Group Statement of Cash Flows

Year Ended March 31, 2011

	2011 $'000	2010 $'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	(6,111,526)	(3,388,191)
Adjustments for:		
Unrealised translation (gains)/losses on long-term loan	(2,984)	5,047
Employee benefits, net	(173,451)	16,957
Depreciation and amortisation	4,146,742	7,016,464
Taxation	1,588,624	(2,282,433)
Loss on disposal of property, plant and equipment and intangible assets	34,747	64,022
Interest earned	(32,350)	(40,780)
Interest expense	1,799,318	2,914,317
Provisions	99,603	431,812
Cash generated before changes in working capital	1,348,723	4,737,215
Accounts receivable	102,534	(111,648)
Prepaid expenses	36,793	3,335
Inventories	9,213	(91,828)
Due from related companies	(165,609)	(41,785)
Deferred expenditure	(217,441)	27,050
Trade and other accounts payable	383,544	606,799
Provisions	(19,125)	(74,524)
Due to related companies	(7,652)	77,136
Cash generated from operations	1,470,980	5,131,750
Income tax paid	(312,574)	(268,440)
Net cash provided by operating activities	1,158,406	4,863,310
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment and intangible assets	(6,135,872)	(4,064,732)
Net investment in finance leases	58,408	(200,928)
Interest received	32,350	40,648
Net cash used by investing activities	(6,045,114)	(4,225,012)
CASH FLOWS FROM FINANCING ACTIVITIES		
Unrealised translation adjustment on consolidation	(33,564)	9,138
Decrease in long-term loan	(15,717)	(9,605)
Increase in deferred income	285,491	-
Short term loan	430,000	-
Interest paid	(1,555,993)	(2,798,784)
Due to other group companies	5,612,413	1,825,274
Net cash provided/(used) by financing activities	4,722,630	(973,977)
Net decrease in cash and cash equivalents	(164,078)	(335,679)
Cash and cash equivalents at beginning of year	364,590	700,269
CASH AND CASH EQUIVALENTS AT END OF YEAR	**200,512**	**364,590**
Comprise of:		
Cash and bank	313,660	364,590
Bank overdraft	(113,148)	-
	200,512	364,590

The accompanying notes form an integral part of the financial statements.

Company Income Statement

Year Ended March 31, 2011

	Notes	2011 $'000	2010 $'000
Revenue	2(e)	20,658,282	21,919,332
Outpayments		(6,274,740)	(5,055,637)
Other cost of sales		(2,507,972)	(2,662,550)
Total cost of sales		(8,782,712)	(7,718,187)
Gross margin		**11,875,570**	**14,201,145**
Other operating income		184,210	-
Gross operating income		12,059,780	14,201,145
Employee expenses	3	(3,722,835)	(3,078,917)
Administrative, marketing and selling expenses	4	(6,731,673)	(6,815,210)
Depreciation and amortisation	6	(4,134,084)	(7,002,863)
Total operating expenses		**(14,588,592)**	**(16,896,990)**
Operating loss before and restructuring costs		**(2,528,812)**	**(2,695,845)**
Restructuring costs	3	(101,883)	(372,799)
Operating loss before net finance costs		**(2,630,695)**	**(3,068,644)**
Net finance costs:			
Foreign exchange (losses)/gains		(165,145)	195,412
Other finance costs		(1,797,769)	(2,912,176)
Finance income		21,344	27,924
	5	(1,941,570)	(2,688,840)
Other income		11,386	144,963
Loss before taxation	**6**	**(4,560,879)**	**(5,612,521)**
Taxation	7	(1,587,904)	2,281,228
Loss attributable to stockholders		**(6,148,783)**	**(3,331,293)**

The accompanying notes form an integral part of the financial statements.

Company Statement of Comprehensive Income

Year Ended March 31, 2011	Notes	2011 $'000	2010 $'000
Loss for the year		(6,148,783)	(3,331,293)
Other comprehensive loss for the year:			
Actuarial losses on employee benefits assets		(2,451)	(200,043)
Deferred taxes on employee benefits	26	667	126,667
Total other comprehensive loss for the year, net of tax		(1,784)	(73,376)
Total comprehensive loss for the year		(6,150,567)	(3,404,669)

The accompanying notes form an integral part of the financial statements.

Company Statement of Financial Position

Year Ended March 31, 2011

	Notes	2011 $'000	2010 $'000
Property, plant and equipment	9(b)	25,932,641	24,030,947
Intangible assets	10	184,583	330,744
Interest in subsidiaries, shares at cost	2(d)(i)	12,117,350	12,117,350
Deferred expenditure	11	116,634	40,660
Net investment in finance leases	2(q)(ii)	83,487	200,928
Employee benefits assets	12 (a)	3,145,000	2,974,000
Deferred tax asset	26	-	1,274,147
Total non-current assets		41,579,695	40,968,776
Cash and cash equivalents	13	281,371	281,933
Accounts receivable	14	3,772,968	3,896,150
Prepaid expenses		400,755	437,558
Due from related companies	15	876,306	710,697
Taxation recoverable		101,487	99,988
Inventories	16	302,359	311,572
Current portion of deferred expenditure	11	332,018	190,551
Current portion of net investment in finance leases	2(q)(ii)	59,033	-
Total current assets		6,126,297	5,928,449
TOTAL ASSETS		**47,705,992**	**46,897,225**
Share capital	17	16,817,440	16,817,440
Reserves	18	2,117,582	2,003,582
Accumulated deficit		(13,806,642)	(7,542,075)
TOTAL EQUITY		**5,128,380**	**11,278,947**
Bank overdraft	19	113,148	-
Trade and other payables	20	7,676,226	7,046,386
Provisions	21	47,897	67,022
Short term loan	22	430,000	-
Current portion of long-term loan	23	15,697	16,384
Due to related companies	15	172,407	180,059
Total current liabilities		8,455,375	7,309,851
Provisions	21	988,464	1,100,804
Long-term loan	23	263,207	281,221
Due to other group companies	24	19,869,805	14,257,392
Deferred income	25	285,491	-
Due to subsidiaries	27	12,715,270	12,669,010
Total non-current liabilities		34,122,237	28,308,427
TOTAL LIABILITIES		**42,577,612**	**35,618,278**
TOTAL EQUITY AND LIABILITIES		**47,705,992**	**46,897,225**

The financial statements on pages 42 to 91 were approved by the Board of Directors on May 24, 2011 and signed on its behalf by:

Director Andrew Cocking ____________ Director Garfield Sinclair ____________

The accompanying notes form an integral part of the financial statements.

Company Statement of Changes in Stockholders' Equity

Year Ended March 31, 2011

	Share Capital $'000 (Note 17)	Reserves $'000 (Note 18)	Accumulated Deficit $'000	Total $'000
Balances at March 31, 2009	16,817,440	2,148,248	(4,282,072)	14,683,616
Loss for the year	-	-	(3,331,293)	(3,331,293)
Other comprehensive loss:				
Actuarial losses, net of tax	-	-	(73,376)	(73,376)
Total comprehensive loss for the year	-	-	(3,404,669)	(3,404,669)
Transfer from employee benefits reserve	-	(144,666)	144,666	-
Balances at March 31, 2010	16,817,440	2,003,582	(7,542,075)	11,278,947
Loss for the year	-	-	(6,148,783)	(6,148,783)
Other comprehensive loss:				
Actuarial losses, net of tax	-	-	(1,784)	(1,784)
Total comprehensive loss for the year	-	-	(6,150,567)	(6,150,567)
Transfer from employee benefits reserve	-	114,000	(114,000)	-
Balances at March 31, 2011	16,817,440	2,117,582	(13,806,642)	5,128,380

The accompanying notes form an integral part of the financial statements.

Company Statement of Cash Flows

Year Ended March 31, 2011

	2011 $'000	2010 $'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	(6,148,783)	(3,331,293)
Adjustments for:		
Unrealised translation (gains)/losses on loan	(2,984)	5,047
Employee benefits, net	(173,451)	16,957
Depreciation and amortisation	4,134,084	7,002,863
Taxation	1,587,904	(2,281,228)
Loss on disposal of property, plant and equipment and intangible assets	35,686	65,990
Interest earned	(21,344)	(27,924)
Interest expense	1,797,769	2,912,176
Provisions	98,229	424,481
Cash generated before changes in working capital	1,307,110	4,787,069
Accounts receivable	123,182	(138,196)
Prepaid expenses	36,803	3,446
Due from related companies	(165,609)	(41,785)
Inventories	9,213	(91,828)
Deferred expenditure	(217,441)	27,050
Trade and other accounts payable	388,064	620,233
Provisions	(19,125)	(74,524)
Due to related companies	(7,652)	77,136
Cash generated from operations	1,454,545	5,168,601
Income tax paid	(314,589)	(267,295)
Net cash provided by operating activities	1,139,956	4,901,306
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment and intangible assets	(6,135,872)	(4,059,473)
Net investment in finance leases	58,408	(200,928)
Interest received	21,344	27,924
Net cash used by investing activities	(6,056,120)	(4,232,477)
CASH FLOWS FROM FINANCING ACTIVITIES		
Due to subsidiaries	46,260	(18,085)
Decrease in long-term loan	(15,717)	(9,605)
Increase in deferred income	285,491	-
Short term loan	430,000	-
Interest paid	(1,555,993)	(2,796,196)
Due to other group companies	5,612,413	1,825,274
Net cash provided/(used) by financing activities	4,802,454	(998,612)
Net decrease in cash and cash equivalent	(113,710)	(329,783)
Cash and cash equivalents at beginning of year	281,933	611,716
CASH AND CASH EQUIVALENTS AT END OF YEAR	**168,223**	**281,933**
Comprise of:		
Cash and bank	281,371	281,933
Bank overdraft	(113,148)	-
	168,223	281,933

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

1. The company and its regulatory framework

The company is incorporated and domiciled in Jamaica and its ordinary stock units are listed on the Jamaica Stock Exchange. The company's registered office is located at 2-6 Carlton Crescent, Kingston 10, Jamaica, West Indies.

The company is a 79% subsidiary of Cable and Wireless (CALA Investments) Limited, incorporated in the Cayman Islands, and the ultimate parent company is Cable & Wireless Communications plc., incorporated in England. Another subsidiary of Cable & Wireless Communications plc. holds an additional 3% of the issued ordinary stock units of the company.

On 19 March 2010, the Cable & Wireless Group effected a group reorganisation whereby Cable & Wireless Communications plc. was inserted as a new holding company for the Cable & Wireless Group via a Scheme of Arrangement. Cable & Wireless Communications plc therefore replaced Cable and Wireless plc. (now Cable & Wireless Limited) as the parent company of the Cable & Wireless Group as at this date. On 22 March 2010, the entire ordinary share capital of Cable and Wireless plc was cancelled and shareholders were given one ordinary share and one B share of Cable & Wireless Communications plc. for every share of Cable and Wireless plc held on that date. At this time, the Cable & Wireless Group was renamed the Cable & Wireless Communications Group. Cable & Wireless Communications group companies are referred to in these financial statements as "related companies".

As part of the 'One Caribbean' structure, the company along with other group companies in the Caribbean trade under the name 'LIME' (Landline, Internet, Mobile and Entertainment).

The principal activity of the group and the company is the provision of domestic and international telecommunications services under various operating licences granted on March 14, 2000, under the Telecommunications Act (the Act).

The operating licenses, all of which extend to March 14, 2015, are:

Carrier (Cable & Wireless Jamaica Limited) Licence;
Service Provider (Cable & Wireless Jamaica Limited) Licence;
Spectrum (Cable & Wireless Jamaica Limited) Licence;
Domestic Mobile Carrier (Cable & Wireless Jamaica Limited) Licence;
Domestic Mobile Service Provider (Cable & Wireless Jamaica Limited) Licence;
Domestic Mobile Spectrum (Cable & Wireless Jamaica Limited) Licence;
Free Trade Zone Carrier (Jamaica Digiport International Limited) Licence; and
Free Trade Zone Service Provider (Jamaica Digiport International Limited) Licence.

In accordance with the Act, rates on certain fixed line services are subject to a "price-cap" methodology applied by the Office of Utilities Regulation.

2. Statement of compliance, basis of preparation and significant accounting policies

(a) Statement of compliance:

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

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(a) Statement of compliance (continued):

Certain new IFRS, and interpretations of and amendments to existing standards which were in issue, came into effect for the current financial year as follows:

- *Revised IFRS 3 Business Combinations* and *amended IAS 27 Consolidated and Separate Financial Statements* (effective July 1, 2009). The definition of a business combination has been revised and focuses on control. All items of consideration transferred by the acquirer are measured and recognised at fair value as of the acquisition date, including contingent consideration. An acquirer can elect to measure non-controlling interest at fair value at the acquisition date or on a transaction by transaction basis. New disclosure requirements have been introduced. There was no material impact on the financial statements as a result of the revision.

- *IAS 39 (Amendment), Financial Instruments: Recognition and Measurement* (effective July 1, 2009). The amendment provided clarification that it is possible for there to be movements into and out of the fair value through profit or loss category where:

  - A derivative commences or ceases to qualify as a hedging instrument in cash flow or net investment hedge.

  - Financial assets are reclassified following a change in policy by an insurance company in accordance with IFRS 4.

  The definition of financial asset or financial liability at fair value through profit or loss as it relates to items that are held for trading is amended. This clarifies that a financial asset or liability that is part of a portfolio of financial instruments managed together with evidence of an actual recent pattern of short-term profit taking is included in such a portfolio on initial recognition. A segment is no longer considered a party external to the reporting entity. When re-measuring the carrying amount of a debt instrument on cessation of fair value hedge accounting, the amendment clarifies that a revised effective interest rate (calculated at the date fair value hedge accounting ceases) is used. The adoption of this amendment had no impact on the group's accounting policies or disclosures.

- IFRIC 17*, Distribution of Non-Cash Assets to Owners* (effective July 1, 2009) provides that a dividend payable should be recognized when appropriately authorized and no longer at the entity's discretion. Where an owner has a choice of a dividend of a non-cash asset or cash, the dividend payable is estimated considering both the fair value and probability of the owners selecting each option. The dividend payable is measured at the fair value of the net assets to be distributed. The difference between fair value of the dividend paid and the carrying amount of the net assets distributed is recognized in profit or loss. There was no material impact in the financial statements as a result of adopting this.

Certain new IFRS, and interpretations of and amendments to existing standards which were in issue, came into effect for the current financial year as follows (continued):

- *IAS 17, Leases, amended* (effective January 1, 2010) provides the requirement that where a lease includes both land and building elements an entity is required to assess the classification of each element as finance or operating lease separately. There was no material impact on the financial statements as a result of this amendment.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(a) *Statement of compliance (continued):*

At the date of approval of the financial statements, there were certain standards and interpretations which were in issue but not yet effective. Those which are considered relevant to the group are as follows:

- *IFRS 9, Financial Instruments* (effective January 1, 2013) introduces new requirements for classifying and measuring financial assets. The standard also amends some of the requirements of *IFRS 7 Financial Instruments: Disclosures* including added disclosures about investments in equity instruments designated as fair value through other comprehensive income.

- *IAS 24, Related Party Disclosure, revised* (effective January 1, 2011) introduces changes to the related party disclosure requirements for government - related entities and amends the definition of a related party. The standard also expands the list of transactions that require disclosure.

- *Amendments to IAS 32 Financial instruments: Presentation* (effective February 1, 2010). The amendments allow certain instruments that would normally be classified as liabilities to be classified as equity if certain conditions are met. Where such instruments are reclassified, the entity is required to disclose the amount, the timing and the reason for the reclassification.

The adoption of *IFRS 9, IAS 24 and IAS 32* is expected to result in adjustments and additional disclosures to the financial statements. Management is currently in the process of evaluating the impact on the financial statements of adopting these standards for its 2012 and 2014 financial statements.

(b) *Basis of preparation:*

The financial statements are presented in Jamaica dollars ($), which is the functional currency of the company.

The financial statements are prepared using the historical cost basis. The significant accounting policies stated in paragraphs (c) to (x) below conform in all material respects with IFRS.

(c) *Use of estimates and judgements:*

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, contingent assets and contingent liabilities at the statement of financial position date, and the income and expense for the year then ended. Actual amounts could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year of the revision and future years, where applicable. Judgements made by management in the application of IFRS that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below:

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(c) Use of estimates and judgements (continued):

(i) Pension benefits:

The amounts recognised in the statement of financial position, income statement and statement of comprehensive income for pension are determined actuarially using several assumptions. The primary assumptions used in determining the amounts recognised include the expected long-term return on plan assets, the discount rates used to determine the present value of estimated future cash flows and the growth in pensionable payroll.

The expected return on plan assets considers the long-term historical returns in excess of inflation, asset allocation and the future estimates of long-term inflation. The discount rates are based on the yields on long-term government securities denominated in both Jamaica and US dollars and comparable securities in the Caribbean. The growth in pensionable payroll is based on the views of the management. Any changes in these assumptions will affect the amounts recorded in the financial statements for these obligations.

Also, see note 12(a) (vi) for conversion of existing pension plan in the prior year.

(ii) Allowance for impairment losses on receivables:

In determining amounts recorded for impairment losses in the financial statements, management makes judgements regarding indicators of impairment, that is, whether there are indicators that suggest there may be a measurable decrease in the estimated future cash flows from receivables, for example, default and adverse economic conditions. Management also makes estimates of the likely estimated future cash flows from impaired receivables as well as the timing of such cash flows. Historical loss experience is applied where indicators of impairment are not observable on individually significant receivables with similar characteristics, such as credit risks.

(iii) Net realisable value of inventories:

Estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period, to the extent that such events confirm conditions existing at the end of the period.

Estimates of net realisable value also take into consideration the purpose for which the inventory is held.

(iv) Residual value and expected useful life of property plant & equipment:

The residual value and the expected useful life of an asset are reviewed at least at each financial year-end, and, if expectations differ from previous estimates, the change is accounted for. The useful life of an asset is defined in terms of the asset's expected utility to the company and its subsidiaries. Impairment of property, plant and equipment is dependent upon management's internal assessment of future cash flows from cash generating units. In addition, the estimate of the amount recoverable from future use of those units is sensitive to the discount rate used.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(c) Use of estimates and judgements (continued):

(v) Deferred taxation:

In recognising a deferred tax asset in the financial statements, management makes judgements regarding the utilisation of losses. Management makes an estimate of the future taxable profit against which the deductible temporary differences and unused tax losses will be utilised. In management's opinion, at this time, it is not probable that future taxable profits will be available against which the unused tax losses can be utilized.

(vi) Site restoration obligation:

Site restoration obligation is estimated at the present value of the future expected restoration cost based on the timing and current prices of goods and services. Changes to technology, regulations, prices of necessary goods and services and realisable values of the company's products, may affect the timing and scope of retirement activities and may substantially alter the decommissioning liabilities and future operating costs.

(d) Basis of consolidation:

(i) Subsidiaries:

A "subsidiary" is an enterprise 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. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date control commences until the date that control ceases.

The group financial statements include the financial statements of the company and its wholly-owned subsidiaries – The Jamaica Telephone Company Limited (JTC), Jamaica International Telecommunications Limited (JAMINTEL) and Jamaica Digiport International Limited, all of which are incorporated in Jamaica – made up to March 31, 2011.

Additionally, two wholly owned subsidiaries, Digital Media & Entertainment Limited incorporated in July 2008 and Caribbean Landing Company Limited incorporated in September 15, 2009, have not commenced operations. On the reporting date, these are not material for inclusion in the group financial statements.

JTC and JAMINTEL were rendered dormant on April 1, 1995, when all of their undertaking, assets and liabilities were transferred to the company pursuant to the Telecommunications of Jamaica (Transfer to and Vesting of Assets and Liabilities of Jamaica Telephone Company Limited and Jamaica International Telecommunications Limited) Act, 1995.

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

(ii) Transactions eliminated on consolidation:

Intra-group balances and income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(e) Revenue recognition:

Operating revenue represents amounts, excluding general consumption tax billed, for the provision of domestic and international telecommunications services and is accounted for on the accruals basis. In accordance with normal practice in the telecommunications industry, estimates are included to provide for that portion of revenue earned but unbilled, including revenues which connecting carriers have not yet reported.

(f) Property, plant & equipment and intangible assets:

(i) Owned assets:

Items of property, plant & equipment and intangible assets (computer software) are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and related costs to put the asset into service.

The cost of replacing part of an item of property, plant & equipment is recognised in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The costs of day-to-day servicing of property, plant & equipment are recognised in profit or loss as incurred.

Site restoration obligation costs are included in the cost of land and buildings.

(ii) Depreciation/amortisation:

Depreciation/amortisation is computed on the straight-line basis at annual rates estimated to write down the assets to their estimated residual values at the end of their expected useful lives. No depreciation is charged on construction in progress and land.

Depreciation/amortisation rates are as follows:

Buildings	- 2.5% to 10%
Plant and Machinery	- 2.5% to 25%
Cables and transmission equipment	- 5% to 8%
Office equipment and computers	- 10%
Computer equipment	- 20%
Software	- 33⅓%

Depreciation methods, useful lives and residual values are reassessed annually (see note 9).

(g) Interest in subsidiaries:

The company's investments in subsidiaries are stated at cost.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(h) Cash and cash equivalents:

Cash and cash equivalents comprise cash, bank balances and short-term deposits maturing within three months or less from the date of deposit or acquisition that are readily convertible into known amounts of cash and which are not subject to significant risk of change in value.

Bank overdraft, which is payable on demand and forms an integral part of the company's cash management activities, are included as a component of the cash and cash equivalents for the purpose of the statement of cash flows.

(i) Accounts receivable:

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

(j) Related parties:

A party is related to the company, if:

(i) directly, or indirectly through one or more intermediaries, the party:
- is controlled by, or is under common control with, the company (this includes parents, subsidiaries and fellow subsidiaries);
- has a direct or indirect interest in the company that gives it significant influence; or
- has joint control over the company;

(ii) the party is an associate of the company;
(iii) the party is a joint venture or a partnership in which the company is a venturer or a partner;
(iv) the party is a member of the key management personnel of the company or its parent;
(v) the party is a close member of the family of any individual referred to in (i) or (iv);
(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
(vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the entity.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

The company has a related party relationship with its directors, related companies, other group company and affiliated parties controlled by its directors, senior officers, executives and significant shareholders of the parent company. "Key management personnel" represents certain senior officers of the company and its parent and ultimate parent companies.

(k) Inventories:

Inventories, consisting principally of items held for resale and are valued at the lower of cost, determined on the weighted average basis, and estimated realisable value.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(l) Accounts payable:

Trade and other payables are stated at amortised cost.

(m) Provisions:

A provision is recognised in the statement of financial position when the group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the obligation.

(i) Restructuring:

A provision for restructuring is recognised when the group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced. Estimated restructuring costs mainly include employee termination benefits and are based on a detailed plan agreed between management and employee representatives.

(ii) Site restoration:

The group has contractual obligations to dismantle and restore cell sites at the end of agreed periods. A provision for site restoration is recognised at the commencement of the lease and revised annually. Where it is likely that time-value of money is significant to calculating the estimated site restoration cost, the risk-free rate is used to determine obligation and the underlying cash flows are adjusted for the risks specific to the obligation.

(n) Capitalisation of borrowing costs:

Where the company:

- borrows generally for the purpose of obtaining a qualifying asset, borrowing costs relating to such funds are capitalised based on the weighted average rate of borrowings outstanding during the year.

- borrows for general financing needs, borrowing costs are expensed on the effective interest basis.

(o) Dividends:

Dividends are recognised as a liability in the period in which they are declared.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(p) Taxation:

Taxation on the profit or loss for the year comprises current and deferred tax. Taxation is recognised in the income statement, except to the extent that it relates to items recognised directly to equity, in which case it is recognised in other comprehensive income.

Current tax is the expected tax payable on the income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is computed for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the reporting date.

A deferred tax liability is recognised for taxable temporary differences associated with investments in subsidiaries, except to the extent that the company and its subsidiary are able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(q) Lease arrangements:

(i) Operating lease payments:

Payments made under operating leases are recognised in the income statement on the straight line basis over the term of the lease.

(ii) Investment in finance leases:

This represents a US$ financing arrangement of Customer Premises Equipment (CPE) for a corporate customer and is receivable over a period of four years.

Income from finance leases is recognized in a manner which produces a constant rate of return on the net investment in the leases.

These leases are carried at amortised cost, which approximates the net realizable value stream plus an appropriate rate of return.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(r) Employee benefits:

Employee benefits, comprising net pensions assets included in these financial statements, have been actuarially determined by a qualified independent actuary, appointed by management. The appointed actuary's report outlines the scope of the valuation and the actuary's opinion.

The actuarial valuations were conducted in accordance with IAS 19, and the financial statements reflect the company's post-employment benefits assets and obligations as computed by the actuary. In carrying out their audit, the auditors make use of the work of the actuary and the actuary's report.

(i) Pension arrangements:

The company sponsors a defined benefit arrangement for employees' service prior to March 31, 2008 and a defined contribution arrangement for service thereafter under one pension plan. The plan is administered by trustees.

The defined benefit arrangements are secured by an insurance policy which is an asset of the plan. The return on the latter asset is matched by the interest cost on the defined benefit arrangements. The company has prepaid its required contributions over the expected working lifetimes of the members who participate in the defined contribution arrangement. The liabilities of the defined contribution arrangement are matched by assets. Each year, the relevant portion of the prepaid contributions is allocated to the active members and reflected as an expense of the company.

The company's net obligation in respect of its pension arrangements is the sum of the present value of its defined benefit arrangements and the value of the assets backing the defined contribution arrangements less the fair value of the plan's assets. To the extent that the obligation is less than the fair value of the plan's assets, the asset recognised is restricted to the present value of the prepaid contributions.

Actuarial gains and losses are recognized in other comprehensive income.

(ii) Other post-retirement benefits:

The post-retirement medical benefits for current pensioners and for non-pensioners are secured by insurance contracts.

(iii) Other employee benefits:

Employee entitlements to paid leave are recognised when they accrue to employees. An accrual is made for the estimated liability for vacation leave, as a result of services rendered by employees up to the reporting date.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(s) Impairment:

The group considers evidence of impairment at both a specific asset and collective level. All individual significant financial assets are assessed for specific impairment. All significant assets found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are then collectively assessed for impairment by grouping together financial assets (carried at amortised cost) with similar risk characteristics.

Objective evidence that financial assets are impaired includes default or delinquency by a customer, indications that a customer will enter bankruptcy and changes in the payment status of customers.

The carrying amounts of the group's assets, other than inventories [see accounting policy 2 (k)] are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount, determined by the fair value less cost to sell, is estimated. An impairment loss is recognised whenever the carrying amount of an asset or group of assets (cash-generating unit) exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

(i) Calculation of recoverable amount:

The recoverable amount of the Group's receivables is calculated as the present value of expected future cash flows, discounted at the original effective interest rate inherent in the asset. Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the group of assets/cash-generating unit to which the asset belongs.

(ii) Reversals of impairment:

An impairment loss in respect of receivables carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. For all other assets, an impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount.

(t) Net finance costs:

Net finance costs comprise interest payable on borrowings calculated using the effective interest method, interest receivable on funds invested, material bank charges and foreign exchange gains and losses recognised in the income statement.

Interest income is recognised in the income statement as it accrues, taking into account the effective yield on the asset.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(u) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. For the purpose of these financial statements, financial assets have been determined to include cash and cash equivalents, accounts receivable and related company balances. Similarly financial liabilities include bank overdraft, trade and other accounts payable, provisions, related company balances and loans.

(v) Interest-bearing borrowings:

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

(w) Foreign currencies:

Transactions in foreign currencies are converted at the rates of exchange ruling at the dates of those transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Jamaica dollars at the rates of exchange ruling on that date. Gains and losses arising from fluctuations in exchange rates are recognised in the income statement.

Non-monetary assets and liabilities denominated in foreign currencies are stated at fair value and are translated to Jamaica dollars at foreign exchange rates ruling at the dates the values were determined.

For the purpose of the statement of cash flows, all foreign currency gains and losses recognised in the income statement are treated as cash items and included in cash flows from operating or financing activities along with movements in the relevant balances.

Unrealised gains and losses arising on translation of net stockholders' equity in a subsidiary are recognised in other comprehensive income and directly to equity on the group statement of financial position and added or deducted to reflect the underlying group cash flows from financing activities in the group statement of cash flows.

(x) Segment reporting:

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available.

Based on the information presented to and reviewed by the CODM, the entire operations of the company are considered as one operating segment.

Year ended March 31, 2011 (Expressed in Jamaica $000's)

3. Employee expenses

	THE GROUP		THE COMPANY	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Gross salaries	3,062,720	2,767,790	3,059,522	2,764,597
Other benefits and allowances	837,276	735,058	836,313	734,320
Employee benefits credits [note 12(b)]	(173,000)	(420,000)	(173,000)	(420,000)
	3,726,996	3,082,848	3,722,835	3,078,917

The redundancy costs of $99,481,000 (2010: $303,330,000) arising mainly from transformation to the 'One Caribbean' structure has been included in restructuring costs (see also note 21).

4. Administrative, marketing and selling expenses

	THE GROUP		THE COMPANY	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Administrative	1,963,896	2,822,608	1,939,339	2,799,623
Marketing	1,166,435	519,324	1,165,725	518,976
Selling	3,627,749	3,497,482	3,626,609	3,496,611
	6,758,080	6,839,414	6,731,673	6,815,210

5. Net finance costs

	THE GROUP		THE COMPANY	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Foreign exchange losses/(gains)	163,125	(197,236)	165,145	(195,412)
Other finance costs:				
Ultimate parent company loan	-	1,342,070	-	1,342,070
Other group company loan	1,564,574	1,345,974	1,564,574	1,345,974
Other loans	12,839	9,781	12,837	9,781
Other debts issuance costs and expenses	221,905	216,492	220,358	214,351
	1,799,318	2,914,317	1,797,769	2,912,176
Finance income:				
Interest income – third party	(32,350)	(40,780)	(21,344)	(27,924)
	1,930,093	2,676,301	1,941,570	2,688,840

Interest income arises materially from treasury transactions entered into in the ordinary course of business.

Year ended March 31, 2011 (Expressed in Jamaica $000's)

6. Disclosure of expenses/(income) and related party transactions

Loss before taxation is stated after charging/(crediting) the following:

	THE GROUP		THE COMPANY	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Directors' emoluments:				
Fees	4,875	1,120	4,875	1,120
Management remuneration	56,968	55,887	56,968	55,887
Other key management personnel compensation:				
Short term employee benefits	198,271	212,944	198,271	212,944
Post employment benefits	(4,000)	(9,000)	(4,000)	(9,000)
Auditors' remuneration	27,950	24,000	26,450	22,500
Depreciation and amortisation	4,146,742	7,016,464	4,134,084	7,002,863
Loss on disposal of property plant & equipment	34,747	64,022	35,686	65,990
Bad debt expenses	398,198	354,678	398,198	354,678
Inventory write off	41,519	23,147	41,519	23,147
Related party transactions:				
Ultimate parent company:				
Management & branding fees	1,357,309	1,515,958	1,357,309	1,515,958
Interest expense	-	1,342,070	-	1,342,070
Other group company:				
Interest expense	1,564,574	1,345,974	1,564,574	1,345,974
Related companies:				
Management & operational recharges	(1,711,188)	(761,972)	(1,711,188)	(761,972)
Other income	(342,502)	(404,598)	(342,502)	(512,118)
Revenue, net	967,150	1,639,917	967,150	1,639,917

(a) All transactions with related companies were entered into in the ordinary course of business.

(b) The company entered into a Support Services Agreement effective April 1, 2009 with a related company to provide Management and Operational Support Services. These services include Finance Support delivered through a Finance Shared Service Centre located in Jamaica and Centres of Excellence that provide technical support on Tax, Treasury, Procurement and Supply Chain Management. The agreement also provides for Support for Sales and Marketing, Customer Operational Services, Technology and Property Services, Strategic and Business Advisory Services as well as Legal, Regulatory and Public Policy Services. Human Resources Support Services are provided through a Human Resource Shared Service Centre which is also located in Jamaica.

Year ended March 31, 2011 (Expressed in Jamaica $000's)

7. Taxation

Taxation, based on the results for the year adjusted for taxation purposes, is made up as follows:

	THE GROUP		THE COMPANY	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Current tax expense:				
Income tax at 33⅓%	720	(1,205)	-	-
Withholding tax	313,090	264,156	313,090	264,156
	313,810	262,951	313,090	264,156
Deferred taxation:				
Effect of tax losses	(1,821,236)	(1,551,721)	(1,821,236)	(1,551,721)
Unrecognised deferred tax	3,395,582	-	3,395,582	-
Origination and reversal of other temporary differences, net	(299,532)	(993,663)	(299,532)	(993,663)
	1,274,814	(2,545,384)	1,274,814	(2,545,384)
Tax expense/(credit)	1,588,624	(2,282,433)	1,587,904	(2,281,228)

Reconciliation of actual tax credit:

	THE GROUP		THE COMPANY	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Loss before taxation	(4,522,902)	(5,670,624)	(4,560,879)	(5,612,521)
Computed "expected" tax credit at 33⅓%	(1,507,634)	(1,890,208)	(1,520,293)	(1,870,840)
Difference between loss for financial statements and tax reporting purposes on:				
Property, plant & equipment	10,596	(81,376)	11,812	(57,402)
Relief under the Jamaica Export Freezone Act	(8,050)	3,161	-	-
Caricom income	(693,018)	(587,013)	(693,018)	(587,013)
Unrecognised deferred tax	3,395,582	-	3,395,582	-
Disallowed expenses and other capital adjustments	391,148	273,003	393,821	234,027
Total differences	3,096,258	(392,225)	3,108,197	(410,388)
Actual tax expense/(credit)	1,588,624	(2,282,433)	1,587,904	(2,281,228)

At March 31, 2011 taxation losses, subject to agreement by the Commissioner of Taxpayer Audit & Assessment, available for relief against future taxable profits, amounted to approximately $20.9 billion (2010: $15.4 billion).

Year ended March 31, 2011 (Expressed in Jamaica $000's)

8. Loss per stock unit

The calculation of loss per stock unit is based on the loss attributable to stockholders of $6,111,526,000 (2010: $3,388,191,000) and the 16,817,439,740 (2010: 16,817,439,740) issued and fully paid ordinary stock units.

9. Property, plant & equipment

(a) The group:

	FREEHOLD LAND & BUILDINGS $'000	PLANT & MACHINERY $'000	CABLES & TRANS-MISSION EQUIPMENT $'000	OFFICE EQUIPMENT & COMPUTERS $'000	CAPITAL WORK-IN-PROGRESS $'000	TOTAL $'000
Cost:						
March 31, 2009	11,982,463	37,167,963	9,250,961	2,365,833	2,351,605	63,118,825
Additions	5,259	-	-	-	4,059,473	4,064,732
Transfers	1,220,901	2,904,768	354,104	42,718	(4,522,491)	-
Transfers to Intangible assets (note 10)	-	-	-	-	(60,203)	(60,203)
Disposals/retirements	(752,480)	(165,621)	(259,220)	(49,959)	-	(1,227,280)
March 31, 2010	12,456,143	39,907,110	9,345,845	2,358,592	1,828,384	65,896,074
Additions	-	-	-	-	6,135,872	6,135,872
Transfers	1,381,715	3,648,835	697,227	555,447	(6,283,224)	-
Transfers to Intangible assets (note 10)	-	-	-	-	(140,728)	(140,728)
Disposals/retirements	(381,303)	(90)	-	(35,686)	-	(417,079)
March 31, 2011	13,456,555	43,555,855	10,043,072	2,878,353	1,540,304	71,474,139
Depreciation:						
March 31, 2009	4,603,607	24,013,219	5,228,883	1,754,248	-	35,599,957
Charge for the year	560,844	5,565,690	414,765	197,629	-	6,738,928
Eliminated on disposals/retirements	(62,627)	(144,414)	(246,846)	(48,213)	-	(502,100)
March 31, 2010	5,101,824	29,434,495	5,396,802	1,903,664	-	41,836,785
Charge for the year	559,753	2,583,997	441,490	274,057	-	3,859,297
Eliminated on disposals/retirements	(135,110)	(650)	-	(35,447)	-	(171,207)
March 31, 2011	5,526,467	32,017,842	5,838,292	2,142,274	-	45,524,875
Net book values:						
March 31, 2011	7,930,088	11,538,013	4,204,780	736,079	1,540,304	25,949,264
March 31, 2010	7,354,319	10,472,615	3,949,043	454,928	1,828,384	24,059,289

Year ended March 31, 2011 (Expressed in Jamaica $000's)

9. Property, plant & equipment (continued)

(b) The company:

	FREEHOLD LAND & BUILDINGS $'000	PLANT & MACHINERY $'000	CABLES & TRANS-MISSION EQUIPMENT $'000	OFFICE EQUIPMENT & COMPUTERS $'000	CAPITAL WORK-IN-PROGRESS $'000	TOTAL $'000
Cost:						
March 31, 2009	11,935,606	35,091,895	8,707,171	2,339,353	2,351,605	60,425,630
Additions	-	-	-	-	4,059,473	4,059,473
Transfers	1,220,901	2,904,768	354,104	42,718	(4,522,491)	-
Transfers to Intangible assets (note 10)	-	-	-	-	(60,203)	(60,203)
Disposals/retirements	(747,582)	(165,621)	(245,371)	(49,716)	-	(1,208,290)
March 31, 2010	12,408,925	37,831,042	8,815,904	2,332,355	1,828,384	63,216,610
Additions	-	-	-	-	6,135,872	6,135,872
Transfers	1,381,715	3,648,835	697,227	555,447	(6,283,224)	-
Transfers to Intangible assets (note 10)	-	-	-	-	(140,728)	(140,728)
Disposals/Retirements	(381,303)	(90)	-	(35,686)	-	(417,079)
March 31, 2011	13,409,337	41,479,787	9,513,131	2,852,116	1,540,304	68,794,675
Depreciation:						
March 31, 2009	4,575,085	21,527,798	5,124,999	1,718,494	-	32,946,376
Charge for the year	557,792	5,555,269	414,809	197,457	-	6,725,327
Eliminated on disposals/retirements	(60,950)	(144,414)	(232,621)	(48,055)	-	(486,040)
March 31, 2010	5,071,927	26,938,653	5,307,187	1,867,896	-	39,185,663
Charge for the year	558,735	2,582,809	432,055	273,040	-	3,846,639
Eliminated on disposals/retirements	(135,110)	289	-	(35,447)	-	(170,268)
March 31, 2011	5,495,552	29,521,751	5,739,242	2,105,489	-	42,862,034
Net book values:						
March 31, 2011	7,913,785	11,958,036	3,773,889	746,627	1,540,304	25,932,641
March 31, 2010	7,336,998	10,892,389	3,508,717	464,459	1,828,384	24,030,947

Freehold land & buildings for the group and the company include land aggregating $69,768,931 (2010: $69,768,931) at historical cost.

Additional depreciation and obsolescence charges of J$3,817 million were recognized in the prior year as part of the continuing review of useful lives of assets and as a result of the continuing transformation of the network.

Year ended March 31, 2011 (Expressed in Jamaica $000's)

10. Intangible assets

This represents acquired computer software as follows:

	THE GROUP AND THE COMPANY	
	2011	2010
	$'000	$'000
Cost:		
At beginning of year	3,583,255	3,523,052
Additions (see note 9)	140,728	60,203
At end of year	3,723,983	3,583,255
Amortisation:		
At beginning of year	3,252,511	2,974,975
Charge for year	287,445	277,536
Write offs	(556)	-
At end of year	3,539,400	3,252,511
Net book value at end of year	184,583	330,744

11. Deferred expenditure

	THE GROUP AND THE COMPANY	
	2011	2010
	$'000	$'000
Long-term portion of deferred GCT	116,634	40,660
Current portion of deferred GCT	332,018	190,551
	448,652	231,211

Deferred General Consumption Tax (GCT) comprises input tax on certain capital acquisitions and is recoverable over a twenty-four month period by way of offset against output tax.

Year ended March 31, 2011 (Expressed in Jamaica $000's)

12. Employee benefits

(a) Pension assets:

	THE GROUP AND THE COMPANY 2011 $'000	2010 $'000
Present value of obligations	(7,834,000)	(7,478,000)
Fair value of plan assets	12,320,000	11,942,000
Unrecognised amount due to limitation	(1,341,000)	(1,490,000)
Recognised assets	3,145,000	2,974,000

(i) Movement in present value of obligation:

	THE GROUP AND THE COMPANY 2011 $'000	2010 $'000
Balance at beginning of year	7,478,000	6,049,000
Benefits paid	(312,000)	(171,000)
Service and interest cost	686,000	582,000
Contributions	180,000	152,000
Actuarial (gain)/loss	(198,000)	866,000
Balance at end of year	7,834,000	7,478,000

(ii) Movement in plan assets:

	THE GROUP AND THE COMPANY 2011 $'000	2010 $'000
Fair value of plan assets at beginning of year	11,942,000	10,283,000
Contributions paid	180,000	152,000
Expected return on plan assets	859,000	1,002,000
Benefits paid	(312,000)	(171,000)
Actuarial (loss)/gain	(349,000)	933,000
Refund to the company	-	(257,000)
Fair value of plan assets at end of year	12,320,000	11,942,000

Year ended March 31, 2011 (Expressed in Jamaica $000's)

12. Employee benefits (continued)

(a) Pension assets (continued):

(ii) Movement in plan assets (continued):

	THE GROUP AND THE COMPANY	
	2011 $'000	2010 $'000
Plan assets consist of the following:		
Equities	53,000	48,000
Fixed income securities	2,791,000	2,354,000
Real estate	3,184,000	3,031,000
Annuities	6,292,000	6,509,000
	12,320,000	11,942,000

(iii) Credit recognised in the income statement:

	THE GROUP AND THE COMPANY	
	2011 $'000	2010 $'000
Current service costs	198,000	173,000
Interest on obligations	488,000	409,000
Expected return on plan assets	(859,000)	(1,002,000)
	(173,000)	(420,000)
Actual return on plan assets	589,000	2,105,000

Of the credit recognised, $173,000,000 (2010: $420,000,000) is included in employee expenses in the income statement [see 12(b) below].

(iv) Actuarial gains and losses recognised directly in other comprehensive income:

	THE GROUP AND THE COMPANY	
	2011 $'000	2010 $'000
Cumulative amount at beginning of year	380,000	580,000
Recognised during the year	(139,000)	247,000
Change in disallowed asset	149,000	(447,000)
Cumulative amount at end of year	390,000	380,000

Year ended March 31, 2011 (Expressed in Jamaica $000's)

12. Employee benefits (continued)

(a) Pension assets (continued):

(v) Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	THE GROUP AND THE COMPANY	
	2011	2010
Discount rate	10.5%	11.5%
Inflation	6.5%	7.5%
Gross discount rate for valuing annuity assets	8%	8%
Expected return on plan assets	7.5%	8.5%
Future salary increases	6.5%	7.5%
Future pension increases	0%	0%

Assumptions regarding future mortality are based on the GAM 94 table. The expected long-term rate of return is based on the assumed long term rate of inflation.

(vi) In 2008, the conversion process of the existing defined benefit plan to a defined contributory plan was initiated. On March 14, 2008, the restructuring of the plan was approved by members vote. The Financial Services Commission (FSC) approved the restructuring on January 26, 2009.

(vii) In October 2008, the company signed contracts with an insurer which covered both the pension annuities and post retirement medical benefits for current pensioners. The contract in respect of the medical benefits for non-pensioners was finalised during the previous year.

(b) Amounts recognized in the income statement

As employee expenses:

	THE GROUP AND THE COMPANY	
	2011 $'000	2011 $'000
Pension assets [see 12(a)(iii)]	(173,000)	(420,000)

12. Employee benefits (continued)

(c) Historical information (in millions of dollars)

Defined benefit pension plan

	2011	2010	2009	2008	2007
Present value of the defined benefit obligation	(7,834)	(7,478)	(6,049)	(7,554)	(6,212)
Fair value of plan assets	12,320	11,942	10,283	15,039	12,546
Surplus in plan	4,486	4,464	4,234	7,485	6,334
Experience adjustments on plan liabilities	198	(866)	(761)	(567)	(636)
Experience adjustments on plan assets	(349)	933	1,786	910	698

(d) At March 31, 2011, the recognised asset of $3,145 million (2010: $2,974 million) represents assets set aside within the plan as a reserve equal to the net present value of the future revised employer contributions under the Defined Contribution Scheme payable by the company, as part of the restructuring. Consequently, no cash is expected to be remitted to the pension plan to cover the employer's required contribution. The contribution for the next financial year is estimated to be $211 million.

The unrecognised amount of $1,341 million (2010: $1,490 million) represents surplus that the company has agreed to share 50:50 with the members as part of the restructuring.

13. Cash and cash equivalents

	THE GROUP		THE COMPANY	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Cash at bank	154,460	300,401	123,905	219,417
Short term deposits	159,200	64,189	157,466	62,516
	313,660	364,590	281,371	281,933

14. Accounts receivable

	THE GROUP		THE COMPANY	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Trade receivables	3,635,271	3,944,250	3,595,777	3,929,369
Allowance for doubtful debts	(469,266)	(419,518)	(469,204)	(419,457)
	3,166,005	3,524,732	3,126,573	3,509,912
Other receivables	685,956	429,763	646,395	386,238
	3,851,961	3,954,495	3,772,968	3,896,150

Year ended March 31, 2011 (Expressed in Jamaica $000's)

14. Accounts receivable (continued)

The aging of trade receivables at the reporting date was:

	THE GROUP			
	2011		2010	
	GROSS $'000	IMPAIRMENT $'000	GROSS $'000	IMPAIRMENT $'000
Not past due	821,745	-	1,351,553	-
Past due 0-30 days	1,907,801	(2,373)	1,753,314	(29,885)
Past due 31-60 days	322,813	(39,670)	297,390	(65,373)
Past due 61-90 days	229,021	(93,398)	209,370	(88,648)
Past due 91-180 days	195,514	(175,450)	183,767	(109,036)
More than 180 days	158,377	(158,375)	148,856	(126,576)
	3,635,271	(469,266)	3,944,250	(419,518)

	THE COMPANY			
	2011		2010	
	GROSS $'000	IMPAIRMENT $'000	GROSS $'000	IMPAIRMENT $'000
Not past due	821,745	-	1,351,553	-
Past due 0-30 days	1,882,549	(2,311)	1,739,915	(29,884)
Past due 31-60 days	315,264	(39,670)	296,315	(65,373)
Past due 61-90 days	222,330	(93,398)	208,967	(88,648)
Past due 91-180 days	195,514	(175,450)	183,763	(108,975)
More than 180 days	158,375	(158,375)	148,856	(126,577)
	3,595,777	(469,204)	3,929,369	(419,457)

The movement in allowance for doubtful debt in respect of trade receivables during the year was as follows:

	THE GROUP		THE COMPANY	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Balance at beginning of year	419,518	520,526	419,457	519,974
Impairment loss recognised/(not used)	49,748	(101,008)	49,747	(100,517)
Balance at end of year	469,266	419,518	469,204	419,457

Allowance for doubtful debts relate to customers that have defaulted on their contractual payment terms. Based on past experience, the company believes that trade receivables not past due and those past due for which no provision is made, relate to customers that have a good record of payment.

During the year, net bad debt expense aggregating $398,198,000 (2010: $354,678,000) has been recognised in the income statement.

Year ended March 31, 2011 (Expressed in Jamaica $000's)

15. Due from/to related companies

This represents balances with other Cable & Wireless group companies, principally for telecommunications traffic and services provided under a Support Services Agreement.

All related party transactions were entered during the ordinary course of business (see also note 6).

16. Inventories

	THE GROUP AND THE COMPANY	
	2011 $'000	2010 $'000
Mobile handsets	301,131	156,006
Other equipment and accessories	1,228	155,566
	302,359	311,572

There was no allowance for impairment at the reporting date. During the year, inventory write-off aggregating $41,519,000 (2010: $23,147,000) has been recognised in the income statement.

17. Share capital

	THE GROUP AND THE COMPANY	
	2011 $'000	2010 $'000
Authorised:		
16,820,000,000 ordinary shares at no par value		
Stated, issued and fully paid:		
16,817,439,740 ordinary stock units at no par value	16,817,440	16,817,440

18. Reserves

	THE GROUP		THE COMPANY	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Share-based payment reserve	20,915	20,915	20,915	20,915
Unrealised translation reserve	252,619	286,183	-	-
Employee benefits reserve*	2,096,667	1,982,667	2,096,667	1,982,667
	2,370,201	2,289,765	2,117,582	2,003,582

* This reserve represents the accumulated pension assets credit, net of related taxation.

19. Bank overdraft

	THE GROUP AND THE COMPANY	
	2011 $'000	2010 $'000
Bank overdraft	113,148	-

The overdraft is part of a general banking facility with National Commercial Bank Jamaica Limited (NCB) which is supported by a guarantee of Cable and Wireless (West Indies) Limited in the amount of $400,000,000. It expires on June 1, 2011 with interest currently set at 14% per annum.

Year ended March 31, 2011 (Expressed in Jamaica $000's)

20. Trade and other payables

	THE GROUP		THE COMPANY	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Trade payables	2,144,027	2,034,142	2,134,932	2,016,329
Other payables	5,129,649	4,705,097	5,112,144	4,704,815
Customer deposits	416,353	364,923	388,148	325,242
Current-portion of deferred income (note 25)	41,002	-	41,002	-
	7,731,031	7,104,162	7,676,226	7,046,386

21. Provisions

	THE GROUP			THE COMPANY		
	RESTRUCTURING $'000	SITE RESTORATION $'000	TOTAL $'000	RESTRUCTURING $'000	SITE RESTORATION $'000	TOTAL $'000
Balance at March 31, 2009	141,546	1,346,771	1,488,317	141,546	1,332,583	1,474,129
Provisions made during the year (note 3)	303,330	209,554	512,884	303,330	207,642	510,972
Provisions used during the year	(377,854)	(629,806)	(1,007,660)	(377,854)	(630,327)	(1,008,181)
Unwind of discount	-	190,906	190,906	-	190,906	190,906
Balance at March 31, 2010	67,022	1,117,425	1,184,447	67,022	1,100,804	1,167,826
Provisions made during the year (note 3)	99,481	-	99,481	99,481	-	99,481
Provisions used during the year	(118,606)	(256,162)	(374,768)	(118,606)	(255,444)	(374,050)
Unwind of discount	-	145,196	145,196	-	143,104	143,104
Balance at March 31, 2011	47,897	1,006,459	1,054,356	47,897	988,464	1,036,361

Provisions relating to site restoration are not expected to crystallise in the next twelve months.

Year ended March 31, 2011 (Expressed in Jamaica $000's)

22. Short term loan

	THE GROUP AND THE COMPANY	
	2011 $'000	2010 $'000
Principal	430,000	-

This represents a revolving line of credit disbursed by Proven Wealth Limited on February 14, 2011 and matures on February 16, 2012. Interest is variable and is charged at 300 basis points above the weighted average yield rate applicable to the 180-day Bank of Jamaica Treasury Bill Tender ('WATBY') held immediately prior to the interest rate reset date. Interest is payable quarterly and is reset quarterly on May 16, August 16, November 16 and February 16. The rate is currently 9.6% per annum.

23. Long-term loan

	THE GROUP AND THE COMPANY			
	2011		2010	
	FACE VALUE $'000	CARRYING AMOUNT $'000	FACE VALUE $'000	CARRYING AMOUNT $'000
Export Development Corporation	432,652	278,904	466,911	297,605
Less: current portion		(15,697)		(16,384)
Non-current portion		263,207		281,221

This is a United States dollar denominated interest free loan guaranteed by the Government of Jamaica maturing in August 2038 with semi-annual principal payments of US$91,489. At March 31, 2010 the face value of the loan was US$5,031,635 (2010: US$5,215,000) which has been re-measured at amortised cost value using an imputed interest rate of 3.3% per annum.

24. Due to other group companies

	THE GROUP AND THE COMPANY	
	2011 $'000	2010 $'000
Cable & Wireless Jamaica Finance (Cayman) Limited (a)	17,670,342	14,257,392
CWI Caribbean Limited (b)	2,199,463	-
	19,869,805	14,257,392

Year ended March 31, 2011 (Expressed in Jamaica $000's)

24. Due to other group companies (continued)

(a) This represents the amount drawn on a $20 billion uncommitted revolving facility with Cable & Wireless Jamaica Finance (Cayman) Limited. Interest is charged at 100 basis points above the weighted average yield rate applicable to the six month Bank of Jamaica Treasury Bill Tender ('WATBY') held immediately prior to the interest rate reset date. The interest rate is reset semi-annually on May 11 and November 11. The interest rate was reset on November 11, 2010 from 10.99% to 8.92% per annum.

The facility was previously with CWI HQ Limited and was assigned with effect from September 30, 2009.

(b) This is a short term facility granted by CWI Caribbean Limited on May 26, 2010 with a credit limit of US$10 million. Interest is charged on the net daily loan balances at the average 1-month LIBOR plus 300 basis points. The rate is currently 3.25% per annum.

25. Deferred income

This relates to income deferred to future years in relation to capacity owned by the company on the Fibralink Cable System by way of an Indefeasible Right of Use (IRU). The company is a consortium member on the Maya-1 cable system. The company has agreed to grant a customer an IRU on the Fibralink for a fifteen (15) year term from the Seven Mile Point, Bull Bay terminal station in Kingston, Jamaica to the ARCOS North Miami terminal station in Miami, Florida.

26. Deferred tax liability/(asset)

The net deferred tax liability/(asset) is attributable to temporary differences in recognition of the following:

	2011 THE GROUP AND THE COMPANY			
	BALANCE AT BEGINNING OF YEAR $'000	RECOGNISED IN OTHER COMPREHENSIVE INCOME $'000	RECOGNISED IN INCOME $'000	BALANCE AT END OF YEAR $'000
Employee benefits	991,333	(667)	57,667	1,048,333
Property, plant & equipment	3,207,305	-	329,097	3,536,402
Taxation losses	(5,146,597)	-	(1,821,236)	(6,967,833)
Other	(326,188)	-	(686,296)	(1,012,484)
Unrecognised deferred tax asset	-	-	3,395,582	3,395,582
	(1,274,147)	(667)	1,274,814	-

Year ended March 31, 2011 (Expressed in Jamaica $000's)

26. Deferred tax liability/(asset) (continued)

	2010 THE GROUP AND THE COMPANY			
	BALANCE AT BEGINNING OF YEAR $'000	RECOGNISED IN OTHER COMPREHENSIVE INCOME $'000	RECOGNISED IN INCOME $'000	BALANCE AT END OF YEAR $'000
Employee benefits	1,230,333	(126,667)	(112,333)	991,333
Property, plant & equipment	3,940,988	-	(733,683)	3,207,305
Taxation losses	(3,594,876)	-	(1,551,721)	(5,146,597)
Other	(178,541)	-	(147,647)	(326,188)
	1,397,904	(126,667)	(2,545,384)	(1,274,147)

27. Due to subsidiaries

This represents interest-free long-term loans for which no fixed repayment terms have been determined. The balance includes United States dollar denominated loans totalling approximately US$8,521,000 (2010: US$7,647,000).

28. Financial risk management

Financial instruments risks:

The company has exposure to credit risk, market risk and liquidity risk from the use of financial instruments.

Senior management has responsibility for monitoring the company's risk management policies and periodically report to the Board of Directors and the Regional Operating Board on their activities.

The risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies are reviewed on a regular basis and reflect changes in market conditions and the company's activities. The ultimate parent company, through the internal audit department, has been monitoring oversight of the risk management policies.

(i) Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk arises primarily from credit given to customers, including related companies, and deposits with financial institutions. Balances arising from those activities are accounts receivable, amounts due from related companies and cash and cash equivalents. The maximum credit exposure is represented by the carrying amount of financial assets in the statement of financial position.

Year ended March 31, 2011 (Expressed in Jamaica $000's)

28. Financial risk management (continued)

Financial instruments risks (continued):

(i) Credit risk (continued):

Maximum exposure to credit risk at the reporting date was:

	THE GROUP		THE COMPANY	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Trade receivables	3,166,005	3,524,732	3,126,573	3,509,912
Other receivables	685,956	429,763	646,395	386,238
Due from related companies	876,306	710,697	876,306	710,697
Cash and cash equivalents	313,660	364,590	281,371	281,933
	5,041,927	5,029,782	4,930,645	4,888,780

Trade Receivables

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management has established a credit policy under which each customer is analysed for creditworthiness prior to being offered credit. There are also comprehensive procedures for the disconnection of services to, and recovery of amounts owed by, defaulting customers. Management has procedures in place to restrict customer service if the customers have not cleared outstanding debts within the credit period. Customers that fail to meet the group's benchmark creditworthiness may transact business with the group on a prepayment basis.

Credit risk is monitored according to each customer's characteristics, such as whether it is an individual or company, its geographic location, industry, aging profile and previous financial difficulties. Trade receivables relate mainly to the group's interconnect, mobile and fixed line customers.

The company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade receivables.

The company's normal terms of credit on the sale of services is 30 days. Allowances for impaired trade receivables are recognised based on an estimate of irrecoverable amounts, determined by taking into consideration past default experience, current economic conditions and expected receipts and recoveries once impaired.

Due from related companies

Related party transactions are pre-authorised and approved by management during the budgetary process.

Year ended March 31, 2011 (Expressed in Jamaica $000's)

28. Financial risk management (continued)

Financial instruments risks (continued):

(i) Credit risk (continued):

Cash and cash equivalents

Cash and cash equivalents are placed with counter-parties who are believed to have minimal risk of default.

(ii) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on assets.

(a) Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The company's policy requires management to manage the maturities of interest bearing financial assets.

The interest rate profile of the financial liabilities of the group at the reporting date was as follows:

THE GROUP

CURRENCY	FIXED RATE FINANCIAL LIABILITIES $'000	VARIABLE RATE FINANCIAL LIABILITIES $'000	FINANCIAL LIABILITIES ON WHICH NO INTEREST IS PAID $'000	TOTAL $'000
		2011		
US$	28,205	-	334,708	362,913
Jamaica$	931,296	16,959,739	10,300,345	28,191,380
	959,501	16,959,739	10,635,053	28,554,293
		2010		
US$	39,681	-	336,835	376,516
Jamaica$	325,242	12,911,418	8,293,064	21,529,724
	364,923	12,911,418	8,629,899	21,906,240

Year ended March 31, 2011 (Expressed in Jamaica $000's)

28. Financial risk management (continued)

Financial instruments risks (continued):

(ii) Market risk (continued):

(a) Interest rate risk (continued):

THE COMPANY

CURRENCY	FIXED RATE FINANCIAL LIABILITIES $'000	VARIABLE RATE FINANCIAL LIABILITIES $'000	FINANCIAL LIABILITIES ON WHICH NO INTEREST IS PAID $'000	TOTAL $'000
2011				
US$	-	-	1,082,900	1,082,900
Jamaica$	931,296	16,959,739	22,240,823	40,131,858
	931,296	16,959,739	23,323,723	41,214,758
2010				
US$	-	-	1,060,941	1,060,941
Jamaica$	325,242	12,911,418	20,219,873	33,456,533
	325,242	12,911,418	21,280,814	34,517,474

Financial liabilities on which no interest is paid [see note 23] comprise a loan from Export Development Corporation, accounts payable and amounts owed (from)/to the ultimate parent company in the normal course of business.

The maturity profiles of the company's fixed rate financial liabilities are disclosed in notes 19, 22, 23 and 24.

There are no material long-term floating rate financial assets. Surplus cash is invested in UK pound sterling (UK£), US dollar (US$) and Jamaica dollar ($) money market deposits for short periods ranging between one and three months.

Interest rate sensitivity

The company does not account for any fixed rate financial assets and liabilities at fair value. Therefore a change in the interest rates at the reporting date would not affect the reported loss or equity for the year.

28. Financial risk management (continued)

Financial instruments risks (continued):

(ii) Market risk (continued):

(a) Interest rate risk (continued):

Cash flow sensitivity analysis for variable rate instruments

A change of 100 (2010: 500) basis points in interest rates at the reporting date would have increased/(decreased) profit or loss and equity by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2010.

	THE GROUP AND THE COMPANY	
	INCREASE $'000s	DECREASE $'000s
Year ended:		
March 31, 2011		
Variable rate instruments	169,597	(169,597)
March 31, 2010		
Variable rate instruments	645,579	(645,579)

(b) Foreign currency risk:

The company incurs foreign currency risk primarily on purchases and borrowings that are denominated in a currency other than the Jamaican dollar. The principal foreign currency risks of the company, represented by balances in the respective currencies, are as follows:

The table below shows the group's and company's foreign currency exposure, at statement of financial position date.

	THE GROUP		THE COMPANY	
	NET FOREIGN MONETARY LIABILITIES			
	UK£ '000	US$ '000	UK£ '000	US$ '000
		2011		
Accounts payable	-	(23,148)	-	(22,510)
Accounts receivable	-	10,446	-	9,455
Cash and bank deposits	4	1,011	4	1,011
Long-term loans	-	(3,469)	-	(3,469)
	4	(15,160)	4	(15,513)

Year ended March 31, 2011 (Expressed in Jamaica $000's)

28. Financial risk management (continued)

Financial instruments risks (continued):

(ii) Market risk (continued):

(b) Foreign currency risk (continued):

The table below shows the group's and company's foreign currency exposure, at statement of financial position date.

	THE GROUP		THE COMPANY	
	NET FOREIGN MONETARY LIABILITIES			
	UK£ '000	US$ '000	UK£ '000	US$ '000
2011				
Accounts payable	-	(23,148)	-	(22,510)
Accounts receivable	-	10,446	-	9,455
Cash and bank deposits	4	1,011	4	1,011
Long-term loans	-	(3,469)	-	(3,469)
	4	(15,160)	4	(15,513)
2010				
Accounts payable	-	(23,904)	-	(23,259)
Accounts receivable	-	9,156	-	8,441
Cash and bank deposits	7	1,181	7	1,181
Long-term loans	-	(3,324)	-	(3,324)
	7	(16,891)	7	(16,961)

Year ended March 31, 2011 (Expressed in Jamaica $000's)

28. Financial risk management (continued)

Financial instruments risks (continued):

(ii) Market risk (continued):

(b) Foreign currency risk (continued):

Sensitivity analysis

Exchange rates, in terms of Jamaican dollars, were as follows:

	UK£	US$
At May 24, 2011	138.36	85.71
At March 31, 2011	137.07	85.79
At March 31, 2010	137.65	89.54

For 2011, a 1% strengthening/weakening of UK£ and the United States dollar against the Jamaican dollar would have increased/(decreased) loss by $13,000,000 respectively for the group and $13,302,000 respectively for the company.

For 2010, a 5% strengthening/weakening of UK£ and the United States dollar against the Jamaican dollar would have increased/(decreased) loss by $75,573,000 respectively for the group and $75,886,000 respectively for the company.

(iii) Liquidity risk:

Liquidity risk, also referred to as funding risk, is the risk that the company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at or close to its fair value. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and ensuring the availability of funding through an adequate amount of committed credit facilities. The company aims at maintaining flexibility in funding by keeping lines of funding available with relevant suppliers, bankers and related parties, sourcing appropriate currency holdings to match liabilities and pursuing prompt payment policies.

Year ended March 31, 2011 (Expressed in Jamaica $000's)

28. Financial risk management (continued)

Financial instruments risks (continued):

(iii) Liquidity risk (continued):

The following are the contractual maturities of financial liabilities, including interest payments as at the reporting date:

	THE GROUP					
	CARRYING AMOUNT $'000	CONTRACTUAL CASH FLOWS $'000	0-12 MONTHS $'000	1-2 YEARS $'000	2-5 YEARS $'000	MORE THAN 5 YEARS $'000
			MARCH 31, 2011			
Bank overdraft	113,148	113,148	113,148	-	-	-
Trade and other payables	7,731,031	7,751,848	7,751,848	-	-	-
Provisions	47,897	47,897	47,897	-	-	-
Due to related companies	172,407	172,407	172,407	-	-	-
Due to other group company	19,869,805	28,731,739	1,772,387	1,772,387	5,317,160	19,869,805
Short-term loan	430,000	430,000	430,000	-	-	-
Long-term loan	278,904	432,652	15,698	15,698	47,094	354,162
	28,643,192	37,679,691	10,303,385	1,788,085	5,364,254	20,223,967

	THE GROUP					
	CARRYING AMOUNT $'000	CONTRACTUAL CASH FLOWS $'000	0-12 MONTHS $'000	1-2 YEARS $'000	2-5 YEARS $'000	MORE THAN 5 YEARS $'000
			MARCH 31, 2010			
Trade and other payables	7,104,162	7,145,216	7,145,216	-	-	-
Provisions	67,022	67,022	67,022	-	-	-
Due to related companies	180,059	180,059	180,059	-	-	-
Due to other group company	14,257,392	22,027,671	1,554,056	1,554,056	4,662,167	14,257,392
Long-term loan	297,605	466,911	16,385	16,385	49,155	384,986
	21,906,240	29,886,879	8,962,738	1,570,441	4,711,322	14,642,378

Year ended March 31, 2011 (Expressed in Jamaica $000's)

28. Financial risk management (continued)

Financial instruments risks (continued):

(iii) Liquidity risk (continued):

THE COMPANY

	CARRYING AMOUNT $'000	CONTRACTUAL CASH FLOWS $'000	0-12 MONTHS $'000	1-2 YEARS $'000	2-5 YEARS $'000	MORE THAN 5 YEARS $'000
MARCH 31, 2011						
Bank overdraft	113,148	113,148	113,148	-	-	-
Trade and other payables	7,676,226	7,695,632	7,695,632	-	-	-
Provisions	47,897	47,897	47,897	-	-	-
Due to related companies	172,407	172,407	172,407	-	-	-
Due to other group company	19,869,805	28,731,739	1,772,387	1,772,387	5,317,160	19,869,805
Short-term loan	430,000	430,000	430,000	-	-	-
Long-term loan	278,904	432,652	15,698	15,698	47,094	354,162
	28,588,387	37,623,475	10,247,169	1,788,085	5,364,254	20,223,967

THE COMPANY

	CARRYING AMOUNT $'000	CONTRACTUAL CASH FLOWS $'000	0-12 MONTHS $'000	1-2 YEARS $'000	2-5 YEARS $'000	MORE THAN 5 YEARS $'000
MARCH 31, 2010						
Trade and other payables	7,046,386	7,082,976	7,082,976	-	-	-
Provisions	67,022	67,022	67,022	-	-	-
Due to related companies	180,059	180,059	180,059	-	-	-
Due to other group company	14,257,392	22,027,671	1,554,056	1,554,056	4,662,167	14,257,392
Long-term loan	297,605	466,911	16,385	16,385	49,155	384,986
	21,848,464	29,824,639	8,900,498	1,570,441	4,711,322	14,642,378

Management believes that the company will not encounter significant difficulties in meeting its financial liabilities.

28. Financial risk management (continued)

Financial instruments risks (continued):

(iv) Operational risk:

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the company's processes, personnel, technology, infrastructure and from external factors, other than financial risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to its reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management.

(v) Business risk:

Business risk is defined as the risk to the company arising from changes in its business, including the risk that the company may not be able to carry out its business plan and its desired strategy. The main business risks identified are the risk of a failure of management and the risk of policy change from government and its regulator rendering the company's business model unfeasible. To counter this the company has a robust governance structure and senior management are focused on developing the business to maintain competitive advantage.

(vi) Capital management:

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders. The Regional Operating Board, the Board of Directors together with responsible senior management of the ultimate parent company monitors the return on capital. The objective is to maintain a strong capital base so as to sustain the solvency and future development of the business. There were no changes in the company's approach to capital management during the year. Also, the group is not exposed to any externally imposed capital requirements.

29. Fair value of financial instruments

The carrying value reflected in the financial statements for cash and cash equivalents, accounts receivable, other financial assets and other financial liabilities are assumed to approximate to their fair values due to their short-term nature. Amounts due to/from related companies are considered to approximate their carrying value as they represent an ability to effect set-offs in future in the amounts disclosed. Long-term assets and liabilities are carried at their contracted settlement value. Additionally, the cost of all monetary assets and liabilities has been appropriately adjusted to reflect estimated losses on realisation or discounts on settlement. The group does not have any material assets and liabilities carried at fair value.

Year ended March 31, 2011 (Expressed in Jamaica $000's)

30. Commitments and contingencies

(a) Capital commitments:

At March 31, 2011, commitments for capital expenditure, for which no provision has been made in these financial statements, were as follows:

	THE GROUP AND THE COMPANY	
	2011 $'000	2010 $'000
Commitments in respect of contracts placed	520,544	358,031

(b) Lease commitments:

Unexpired commitments under operating leases for cell sites, motor vehicles and equipment are payable as follows:

	THE GROUP		THE COMPANY	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Within 1 year	458,187	415,863	441,541	398,489
From 1-2 years	346,364	412,522	329,718	395,148
From 2-3 years	305,435	392,473	294,665	375,099
From 3-4 years	281,047	390,565	278,602	376,993
From 4-5 years	269,592	378,793	269,592	376,241
Over 5 years	683,466	468,964	683,466	468,964
	2,344,091	2,459,180	2,297,584	2,390,934

Lease payments under these operating leases recognised in the income statement for the year aggregated approximately $417 million (2010: $482 million) for the group and $410 million (2010: $465 million) for the company.

(c) Contingent liabilities:

Legal cases:

(i) A suit has been filed by Mossel (Jamaica) Limited against the company for $155,000,000 relating to transit charges. The trial commenced in November 2009 and has been part heard for the parties' submissions.

(ii) A suit has been brought against the company by Newgen Technologies Limited for US$13,011,873. The plaintiff is claiming that the company has abused its dominance in the market for fixed line termination services. An appearance was entered and defence was prepared and filed.

(iii) A suit has been filed by Mossel (Jamaica) Limited against the company for $349,306,750 plus, $1,306,655,813 claiming bad debt retained by the company under the interconnection agreement and in respect to the company's "Homefone" service. The company has filed its defence on the matter.

Year ended March 31, 2011 (Expressed in Jamaica $000's)

30. Commitments and contingencies (continued)

(c) Contingent liabilities (continued):

(iv) A suit has been brought against the company by Columbus Communications Jamaica Limited (Flow) for US$6 million for claims in respect of backhaul facilities provided to facilitate agreements with affiliates of Flow. The company has filed its defence.

No provision has been made in respect of these items, as based on the legal and other advice, management is of the view that no liability will materialise with regard to the issues mentioned.

31. Segment information

The group is an integrated telecommunications service provider offering mobile, fixed line, data and other services to residential and business customers. Fixed lines services include provision of land lines to facilitate local and international calls. Mobile services include postpaid and prepaid voice and data services, sales and service of handsets and value added services including LIME 3G. Broadband, data and other services consist of broadband (ADSL), Metro Ethernet (fiber service), frame and leased type services, hosting and storage services, as well as equipment sales and service.

Based on the information presented to and reviewed by the CODM, the entire operations of the company are considered as one operating segment.

Financial information related to the operating segment results from continuing operations for the two years ended March 31, 2011, can be found in the Group Income Statement and related notes. There are no differences in the measurement of the reportable segment results and the Group's results.

Details of the segment assets and liabilities for the two years ended March 31, 2011 can be found in the Group's Statement of Financial Position and related notes. There are no differences in the measurement of the reportable segment assets and liabilities and the Group's assets and liabilities.

Entity-wide disclosures:

The revenue for continuing operations from external customers can be analysed by product as follows:

	2011 $'000	2010 $'000
Mobile	4,478,384	4,898,762
Fixed line	10,239,135	11,221,012
Broadband, data & other	6,070,454	5,926,394
	20,787,973	22,046,168

Revenue for continuing operations from external customers is grouped according to where the telecommunications services were provided. All external customer revenue is derived from within Jamaica.

The group does not have any customers from which revenue exceeds 10% of group revenue.

LIME

Board of Directors

Our Team is led
by a distinguished
group of highly
experienced
professionals.

Board of Directors

CHRISTOPHER DEHRING

Chris Dehring was appointed Chief Marketing Officer of LIME Caribbean and Chairman of LIME Jamaica in 2009. Prior to joining LIME he served as CEO of the ICC Cricket World Cup 2007, leading the team that staged the biggest sporting event ever held in the Caribbean. Chris is very well known in both local and regional financial communities as he was a founding partner and CEO of Dehring Bunting & Golding Ltd., one of the Caribbean's most successful investment banks. He also served as Chief Marketing Officer for the West Indies Cricket Board (WICB) and in that capacity he successfully restructured the organisation's global commercial operations negotiating record, multi-million dollar broadcast, sponsorship and licensing deals and growing revenues to support the development of regional cricket. A graduate of West Virginia Wesleyan College with a B.S. in Marketing and Economics, Chris was the recipient of the Wall Street Journal Student Achievement Award in Economics.

ANDREW COCKING

Mr. Andrew Cocking joined the Board of Cable & Wireless Jamaica in 2001. He is the Deputy Group President of the Capital & Credit Financial Group and a founder and director of all the companies in the Capital & Credit Financial Group with responsibility for International Business. He was the joint recipient of The Caribbean Entrepreneur of the Year Award in the Financial Services in 2000, and is also a Past President of the Association of Licensed Financial Institutions. As an Investment Banker, Mr. Cocking has held several senior management positions in international and local merchant banks since 1985 after serving in technical positions in private sector firms and government in the United States. Mr. Cocking holds a Master's Degree in Management and Public Policy from Carnegie-Mellon University and is a Civil Engineer by training with a B.S. Degree from Howard University.

MARK KERR-JARRETT, J.P.

Mr. Mark Kerr-Jarrett has been the Managing Director of the Barnett Group of Companies since 1989 and is actively involved in Land Development, Construction Services, Tourism and Farming. He sits on the Boards of the Greater Montego Bay Re-Development Company Limited, National Works Agency and the Housing Agency of Jamaica Ltd. He is also Chairman of the St. James Parish Development Committee as well as Vice Chairman of the St. James Local Public Accounts Committee. He studied at Cheltenham College, Georgia Institute of Technology, and Virginia Institute of Technology where he pursued his qualifications in mechanical engineering before returning to Jamaica. Mr. Kerr-Jarrett has wide and varied interests within Jamaica and is a former President of the Montego Bay Chamber of Commerce, as well as a Director of Trumpet Call Ministries International. Mr. Kerr-Jarrett is married with two children.

KEN MCFADYEN

Ken McFadyen is Chief Operating Officer of CWC Group having joined the company in January 2008. Ken was previously with the global professional services firm Alvarez & Marsal where he was a Senior Director responsible for business development and delivery of corporate re-structuring services. He was previously with Cable & Wireless UK as Business Transformation Director, where he was responsible for the integration of Energis into Cable & Wireless. Ken was a member of the Energis executive team, having joined as IT Director and subsequently becoming Service Delivery Director. Prior to this, Ken's career had embraced line Finance roles and managing consulting. He was a Partner in Ernst & Young Consulting, and has worked on performance improvement initiatives across a range of industries globally. Ken is a Fellow of the UK Chartered Institute of Management Accountants.

HON. PATRICK ROUSSEAU, OJ

Hon. Patrick Rousseau, OJ is an Attorney-at-Law and Consultant-in-house with the Law Firm, Myers Fletcher & Gordon. Mr. Rousseau joined the Board of Directors of Cable & Wireless Jamaica in 1998. He has served as Director and Chairman of several local boards including Desnoes & Geddes Limited, Life of Jamaica Limited, Carib Cement Company Limited, United Motors Limited, the West Indies Cricket Board, Caymanas Track Limited and SportsMax Limited. In 1976 Mr. Rousseau received the Order of Jamaica from the Government of Jamaica for distinguished work in the Bauxite Industry.

DAVID SHAW

David Shaw is the Chief Executive Officer of LIME Caribbean, having been appointed to that post on August 1, 2009. After studying communication and electronic engineering, David started his career as an engineer. From engineering he moved into various sales, commercial and market management roles, progressively garnering bigger portfolio responsibilities. Upon joining Energis, David was part of the Board that led its successful turnaround, resulting in its sale to Cable & Wireless. As the Chief Commercial Officer of Cable & Wireless Europe Asia and the United States of America (EAUS), he was accountable for worldwide sales, marketing, service and commercial activities. He was a key part of the Board that successfully led the first two phases of the EAUS turnaround. Having worked in the UK, United States of America, Europe, India and the Far East, David has gained extensive knowledge and experience in international commerce.

GARFIELD SINCLAIR

Garfield "Garry" Sinclair was appointed LIME's Managing Director for Jamaica & Cayman in October 2010, bringing to that position nearly 20 years of experience in business management. Prior to his appointment at LIME, he was one of the pioneering members of the team that established Dehring Bunting & Golding Limited (DB&G), one of the country's first investment banks. Garry worked with DB&G for more than 13 years and was eventually appointed President & Chief Operating Officer. A licensed CPA with the California Board of Accountancy, Garry holds a B.Sc. in Business Administration from San Diego State University and an Executive Certificate in Strategy and Innovation from the Sloan School of Management at the Massachusetts Institute of Technology (MIT).

He currently serves as Chairman of the Jamaica Stock Exchange Pension Fund and Kingston Properties and is a Director of several other local organizations including Proven Investments Limited and Proven Wealth Limited.

KAMINA JOHNSON SMITH

Kamina Johnson Smith was appointed Company Secretary on March 1, 2011 and continues to serve as Company Secretary to our Foundation and five subsidiaries. Kamina also holds the position of Senior Legal & Regulatory Counsel, with responsibilities that include the BVI, Cayman Islands and the Turks and Caicos Islands. An attorney-at-law with more than 10 years at the Jamaican Bar, she joined LIME in August 2001 and has supported all aspects of the business, including a secondment to the Legal Department of (then) Cable & Wireless International in the UK, where among other things, she supported the roll-out of the Group's mobile business in Jersey. Kamina is highly committed to public service and volunteerism and has successfully managed several projects of the Cable & Wireless Jamaica Foundation. She has served as Director of the Factories Corporation of Jamaica and the Early Childhood Commission, and currently sits in the Upper House as a Government Senator.

Company Information

CABLE & WIRELESS JAMAICA LIMITED

STOCKHOLDERS
as at 31 MARCH 2011

TEN LARGEST STOCKHOLDERS	Units
Cable and Wireless (CALA Investments) Limited	13,285,777,982
Kelfenora Limited	504,523,212
LOJ PIF Equity Fund	181,286,541
Carl Marks and Company Inc.	156,889,759
CASA Corporation Limited	64,960,272
Peter Forde	60,117,493
Trading Account - National Insurance Fund	96,273,768
Fortress Mutual Fund Limited /F.C.I.B C1191	52,925,499
Mayberry West Indies Limited	51,171,318
MF&G Trust and Finance Limited Account #528	50,340,069
Total	14,504,265,913

DIRECTORS	
Cocking, Andrew*	439,282
Dehring, Christopher	Nil
Kerr-Jarrett, Mark	Nil
McFadyen, Ken	Nil
Rousseau, Patrick	100,000
Shaw, David	Nil
Sinclair, Garfield	Nil

SENIOR MANAGEMENT	
Bent-Williams, Trudie	Nil
Brown, Austin*	10,802
Cameron, Rochelle	Nil
Dehiri, Sunny	Nil
Ellis-Duncan, Nicola	Nil
Gabbidon, Edward*	17,412
Johnson Smith, Kamina	Nil
Miller, Errol K.	5,700
Mollison, Howard	Nil
Nelson, Derrick	Nil
Price, Stephen	55,357
Sanguinetti-Mullings, Simone	Nil
Smith, Erle	2,174
Taylor, Camille	Nil
Whitehead, Joan	Nil

*Includes stockholdings of connected persons.

COMPANY INFORMATION
CABLE & WIRELESS JAMAICA LIMITED

EXECUTIVE MANAGEMENT TEAM

Garfield Sinclair
Managing Director, Jamaica & Cayman

Trudie Bent-Williams
Head of the Chief Operations Office

Edward Gabbidon
Vice President, Corporate and Small & Medium Enterprise Sales

Howard Mollison
Vice President, Service Delivery

Stephen Price
Regional Special Projects Manager

Simone Sanguinetti-Mullings
Head of Retail

Camille Taylor
Corporate Communications Manager

REGIONAL LIME EXECUTIVES ASSIGNED TO JAMAICA

Austin Brown
Head of Technology Operations - Jamaica

Rochelle Cameron
Head of Legal & Regulatory - North

Sunny Dehiri
Chief Financial Officer - Jamaica & Cayman

Nicola Ellis-Duncan
Head of Human Resources - Jamaica

Errol K Miller
Vice President, Government and Corporate Relationships

Derrick Nelson
Vice President, Carriers & Service Providers

Erle Smith
Regional Revenue Assurance Manager

Joan Whitehead
Regional Vice President, Customer Service Assurance

REGISTERED OFFICE

2-6 Carlton Crescent
Kingston 10, Jamaica
Telephone: 926-9700
Fax No. 968-9696
website: www.lime.com

REGISTRAR & TRANSFER AGENT

Duke Corporation
Scotia Bank Centre
Corner Duke & Port Royal Streets
Kingston, Jamaica

AUDITORS

KPMG
6 Duke Street
Kingston, Jamaica

BANKERS

The Bank of Nova Scotia Ja. Ltd.
National Commercial Bank Ja. Ltd.
Citibank N. A.
First Caribbean International Bank

ATTORNEYS-AT-LAW

Myers Fletcher & Gordon
21 East Street
Kingston

Grant Stewart Phillips & Company
11a Swallowfield Road
Kingston 5

Cable & Wireless Jamaica Limited
2-6 Carlton Crescent, Kingston 10, Jamaica

www.lime.com