

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

	Unaudited as May 31 2011	Unaudited as May 31 2010	Audited as at November 30, 2010
<b>Current Assets</b>			
Cash and cash equivalents	1,993	9,932	2,893
Short-term investments	1,386	2,109	1,493
Trade receivables	27,825	9,949	37,900
Deposits and prepaid expenses	19,545	20,922	9,291
Other receivables	54,616	53,367	46,831
Taxation recoverable	115	401	115
Inventories	108,660	159,053	111,058
<b>Total current assets</b>	<b>214,140</b>	<b>255,733</b>	<b>209,581</b>
<b>Current Liabilities</b>			
Bank overdraft	57,497	9,708	40,349
Current portion of long term liabilities	23,811	7,128	5,833
Short term loan			2,619
Due to related parties - short term	5,949		5,980
Taxation payable	6,460	3,523	1,970
Accounts payable	75,382	86,008	72,470
<b>Total Current Liabilities</b>	<b>169,099</b>	<b>106,367</b>	<b>129,221</b>
<b>Working Capital</b>	<b>45,041</b>	<b>149,366</b>	<b>80,360</b>
<b>Non-current Assets</b>			
Property, plant and equipment	486,788	364,963	493,083
Pension asset	51,689	47,321	51,689
<b>Total non-current assets</b>	<b>538,477</b>	<b>412,284</b>	<b>544,772</b>
<b>Total assets less current liabilities</b>	<b>583,518</b>	<b>561,650</b>	<b>625,132</b>
<b>Equity</b>			
Share capital	115,877	115,877	115,877
Capital reserves	488,407	365,742	488,407
Investment revaluation reserve	(958)	(236)	(852)
(Deficit)/Retained Earnings	(135,363)	(31,663)	(90,395)
<b>Total Equity</b>	<b>467,963</b>	<b>449,720</b>	<b>513,037</b>
<b>Non-current Liabilities</b>			
Long-term liabilities	17,986	24,995	20,903
Due to related parties - long term	95,453	85,071	89,076
Post retirement obligation	2,116	1,864	2,116
<b>Total non-current liabilities</b>	<b>115,555</b>	<b>111,930</b>	<b>112,095</b>
<b>Total equity and non-current liabilities</b>	<b>583,518</b>	<b>561,650</b>	<b>625,132</b>

**The Jamaica Livestock Association Limited**  
**Statement of Comprehensive Income**  
**Quarter ended May 31, 2011**

	Unaudited Three months to May 31 2011 \$'000	Unaudited Three months to May 31 2010 \$'000	Unaudited Six months to May 31 2011 \$'000	Unaudited Six months to May 31 2010 \$'000
Gross operating revenue	144,093	188,556	304,270	364,730
Cost of operating revenue	(98,840)	(125,304)	(213,192)	(252,791)
Inventory losses				
Gross profit	45,253	63,252	91,078	111,939
Other income				
Interest received	1	612	13	625
Gain on disposal of fixed asset	20		1,223	
Dividends received	2		2	15
Miscellaneous	738	2,956	4,507	4,726
	761	3,568	5,745	5,366
	46,014	66,820	96,823	117,305
Administration	(55,769)	(65,546)	(112,114)	(135,120)
Depreciation	(3,269)	403	(6,549)	(6,579)
Selling	(7,364)	(8,163)	(14,050)	(15,145)
	(66,402)	(73,306)	(132,713)	(156,844)
Loss from operations	(20,388)	(6,486)	(35,890)	(39,539)
Finance cost	(3,243)	(11,040)	(6,499)	(26,138)
Loss for period	(23,631)	(17,526)	(42,389)	(65,677)
<b>Other comprehensive income:</b>				
Change in revaluation surplus on property, plant and equipment				
Change in fair value of investments	9	348	(106)	544
<b>Total comprehensive income (loss) for period</b>	(23,622)	(17,178)	(42,495)	(65,133)
Loss per stock unit of \$1.00	(\$0.41)	(\$0.31)	(\$0.74)	(\$1.14)

**The Jamaica Livestock Association Limited**  
**Statement of Cash Flows**  
**Six months to May 31, 2011**  
**(Unaudited)**

2011                      2010

**CASH FLOWS FROM OPERATING ACTIVITIES**

Loss	(42,389)	(65,677)
Adjustments for:		
Depreciation	6,549	6,579
Interest income	(13)	(625)
Interest expense	6,499	26,138
Change in other assets:	(29,354)	(33,585)
Change in Accounts receivable	(7,964)	(32,004)
Change in inventories	2,398	(14,124)
Change in taxation payable	4,490	1,553
Due to related parties	6,346	(30,035)
Change in accounts payable	2,912	(68,774)
	8,182	(143,384)
	(21,172)	(176,969)
Interest paid	(6,499)	(26,138)
Net cash provided / (used) by operating activities	<b>(27,671)</b>	<b>(203,107)</b>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received	13	625
Proceeds from disposal of fixed assets		449,495
Additions to property, plant and equipment	(254)	(683)
	<b>(241)</b>	<b>449,437</b>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Dividends	(2,579)	(2,152)
Loan (net)	12,442	(110,235)
Net cash provided /(used) by financing activities	<b>9,863</b>	<b>(112,387)</b>
Net increase/ (decrease) in cash and cash equivalents	(18,049)	133,943
Cash and cash equivalents at beginning of the year	(37,456)	(133,719)
Cash at end of period	<b>(55,505)</b>	<b>224</b>
Comprising of:		
Cash	1,993	9,932
Bank overdrafts	(57,497)	(9,708)
	<b>(55,505)</b>	<b>224</b>

**The Jamaica Livestock Association Limited**  
**Statement of Changes in Shareholders' Equity**  
**\$'000**

<b>(Unaudited)</b>	<b>Share capital</b>	<b>Capital reserves</b>	<b>Investment Revaluation reserve</b>	<b>Deficit</b>	<b>Total</b>
<b>Balances at November 30, 2009</b>	<b>115,877</b>	<b>789,274</b>	<b>(780)</b>	<b>(392,090)</b>	<b>512,281</b>
<b>Total comprehensive income for the period:</b>					
Loss for the period				(65,677)	(65,677)
<b>Other Comprehensive Income</b>					
Transfer on disposal of assets held for sale		(423,532)		428,256	4,724
Increase in fair value of investments			544		544
Total comprehensive income for the period		(423,532)	544	362,579	(60,409)
<b>Distribution to owners of the company:</b>					
Dividends				(2,152)	(2,152)
<b>Balances at May 31, 2010</b>	<b>115,877</b>	<b>365,742</b>	<b>(236)</b>	<b>(31,663)</b>	<b>449,720</b>
<b>Balances at November 30, 2010</b>	<b>115,877</b>	<b>488,407</b>	<b>(852)</b>	<b>(90,395)</b>	<b>513,037</b>
<b>Total comprehensive income for the period:</b>					
Loss for the period				(42,389)	(42,389)
<b>Other Comprehensive Income:</b>					
Decrease in fair value of investments			(106)		(106)
Total comprehensive income for the period			(106)	(42,389)	(42,495)
<b>Distribution to owners of the company:</b>					
Dividends				(2,579)	(2,579)
<b>Balances at May 31, 2011</b>	<b>115,877</b>	<b>488,407</b>	<b>(958)</b>	<b>(135,363)</b>	<b>467,963</b>

**The Jamaica Livestock Association Limited**  
**Stockholding of Directors and Officers**  
**As at May, 2011**

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

**List of 10 largest blocks of shares**  
**As May 31, 2011**

1.	H. J. Rainford	18,038,773
2.	A & S Investments Limited	7,704,320
3.	Richard Lake	7,046,745
4.	Lakeland Farms Limited	6,640,239
5.	Barrington Fields	2,322,500
6.	MF&G Trust & Finance Ltd A/C 57	1,643,955
7.	Andrea Sweeney	1,099,000
8.	Richard Rainford	1,000,000
9.	Alexander V. Hamilton	849,186
10.	John H Lindsay	822,500

**The Jamaica Livestock Association Limited**  
**Notes on the Interim Financial Statements**  
**Quarter ended May 31, 2011**

**1. Operations**

The principal activities of the group are the sale of animal health products, hardware, lumber, farm equipment and supplies, animal feeds, day-old chicks and transportation.

The operations of the JLA Feeds Limited and JLA Hatchery Limited are carried out by the company with effect from September 1, 2005. All of the property, assets and rights of JLA Feeds Limited and JLA Hatchery Limited have been transferred and vested in The Jamaica Livestock Association Limited by virtue of a court order dated November 9, 2006. The company and its subsidiary are incorporated and domiciled in Jamaica.

The company sold its feed plant and wharf and grain off-loading facilities on March 1, 2010. Based on the sale agreement, the company will purchase feeds from the purchaser and retain its rights to the "Supreme Feeds" brand.

**2. Basis of Preparation**

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

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

**3. Accounting Policies**

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

**Accounting policies (cont'd)**

**(a) Investments**

The Group's investments are initially recognized at cost and classified at the time of purchase in accordance with IFRS. Available for sale investments are subsequently re-measured at fair value. Unrealized gains or losses arising from changes in fair value are taken to investments revaluation reserve.

**(b) *Property Plant and Equipment***

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

**(c) *Employee Benefits***

Employee benefits comprise pension and post-retirement life insurance benefits. The group's net obligation in respect of defined benefit pension plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and future periods. That value is discounted to determine the present value, and the fair value of the plan assets deducted. Where the fair value of plan assets exceeds the present value of the obligation, a pension asset is recorded to the extent of economic benefits which can be obtained in the form of reduction in future contributions to the plan. The obligation is calculated using the projected unit credit method.

The obligation in respect of post retirement benefit is computed on a basis similar to that for the defined benefit pension plan.

**The Jamaica Livestock Association Limited**  
**Notes on the Interim Financial Statements**  
**Quarter ended May 31, 2010**

**Accounting policies (cont'd)**

*(d) Comparative information*

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

*(e) Segment Reporting*

Segment reporting is presented in respect of the company's business segments. The primary format business segments are based on the company's management and internal reporting structure.

There are no geographical segments to disclose as the company operates in the local market only.

SEGMENT RESULTS SIX MONTHS 2011

	POULTRY	FARM SUPPLIES	TOTAL
Revenue from External Customers	117,091	187,179	304,270
Segment results	10,614	(52,249)	(41,635)
Interest and other income			5,745
Loss from operations			(35,890)
Finance costs			(6,499)
Loss for the period			(42,389)
Segment assets	233,166	467,762	700,928
Unallocated Assets			51,689
Total assets			752,617
Segment Liabilities	75,970	206,568	282,538
Unallocated liabilities			2,116
Total Liabilities			284,654
Capital expenditure	5	249	254
Depreciation	1,306	5,243	6,549



SEGMENT RESULTS SIX MONTHS 2010

	FEEDS	POULTRY	FARM SUPPLIES	TOTAL
Revenue from External Customers	146,190	149,313	69,277	364,780
Segment results	(13,076)	19,557	(51,386)	(44,905)
Interest and other income			5,366	5,366
Loss from operations				(39,539)
Finance costs			(26,138)	(26,138)
Loss for the period				(65,677)
Segment assets		229,093	391,603	620,696
Unallocated Assets				47,321
Total assets				668,017
Segment Liabilities		67,094	149,339	216,433
Unallocated liabilities				1,864
Total Liabilities				218,297
Capital expenditure		412	271	683
Depreciation		1,304	5,275	6,579

**4. Taxation**

The company sustained a taxable loss during the period and is not liable for income tax.

**The Jamaica Livestock Association Limited**  
**Notes on the Interim Financial Statements**  
**Quarter ended May 31, 2011**

**Accounting policies (cont'd)**

**5. Earnings Per Stock Unit**

The calculation of earnings per stock unit is based on the group's net profit for the period and 57,452,517 preference stock units in issue.

**6. Dividends**

These represent amounts paid on 7.5 % preference stock units of the company. These dividends are an allowable charge for taxation purposes in accordance with the provisions of the Income Tax Act.

On behalf of the Board

Henry Rainford  
Chairman

Audley Deidrick  
Director

5-Jul-11