

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

	Unaudited as August 2011	Unaudited as August 2010	Audited as November 30, 2010
<b>Current Assets</b>			
Cash and cash equivalents	2,040	4,568	2,893
Short-term investments	1,201	1,757	1,493
Trade receivables	28,244	32,775	37,900
Deposits and prepaid expenses	18,490	20,887	9,291
Other receivables	60,518	53,710	46,831
Taxation recoverable	115	402	115
Inventories	107,319	151,551	111,058
<b>Total current assets</b>	<b>217,927</b>	<b>265,650</b>	<b>209,581</b>
<b>Current Liabilities</b>			
Bank overdraft	55,130	47,446	40,349
Current portion of long term liabilities	5,833	5,833	5,833
Short term loan			2,619
Due to related parties - short term	6,349		5,980
Taxation payable	7,894	5,655	1,970
Accounts payable	134,274	95,586	72,470
<b>Total Current Liabilities</b>	<b>209,480</b>	<b>154,520</b>	<b>129,221</b>
<b>Working Capital</b>	<b>8,447</b>	<b>111,130</b>	<b>80,360</b>
<b>Non-current Assets</b>			
Property, plant and equipment	484,122	372,053	493,083
Pension asset	51,689	47,321	51,689
<b>Total non-current assets</b>	<b>535,811</b>	<b>419,374</b>	<b>544,772</b>
<b>Total assets less current liabilities</b>	<b>544,258</b>	<b>530,504</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	(1,143)	(588)	(852)
(Deficit)/Retained Earnings	(172,350)	(63,241)	(90,395)
<b>Total Equity</b>	<b>430,791</b>	<b>417,790</b>	<b>513,037</b>
<b>Non-current Liabilities</b>			
Long-term liabilities	16,528	22,361	20,903
Due to related parties - long term	94,823	88,489	89,076
Post retirement obligation	2,116	1,864	2,116
<b>Total non-current liabilities</b>	<b>113,467</b>	<b>112,714</b>	<b>112,095</b>
<b>Total equity and non-current liabilities</b>	<b>544,258</b>	<b>530,504</b>	<b>625,132</b>

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

	Unaudited Three months to Aug-31 2011	Unaudited Three months to Aug-31 2010	Unaudited Nine months to Aug-31 2011	Unaudited Nine months to Aug-31 2010	Unaudited \$'000
Gross operating revenue	167,121	228,242	471,391	592,972	
Cost of operating revenue	(135,149)	(186,071)	(348,341)	(438,862)	
Inventory losses					
Gross profit	31,972	42,171	123,050	154,110	
Other income	4	20	17	645	
Interest received			1,223		
Gain on disposal of fixed asset		13	2	28	
Dividends received	(1,054)	2,437	3,453	7,163	
Miscellaneous	(1,050)	2,470	4,695	7,836	
	30,922	44,641	127,745	161,946	
Administration	(44,092)	(58,456)	(156,206)	(193,576)	
Depreciation	(3,266)	(3,280)	(9,815)	(9,859)	
Selling	(8,448)	(11,821)	(22,498)	(26,966)	
	(55,806)	(73,557)	(188,519)	(230,401)	
Loss from operations	(24,884)	(28,916)	(60,774)	(68,455)	
Finance cost	(10,815)	(1,373)	(17,314)	(27,511)	
Loss for period	(35,699)	(30,289)	(78,088)	(95,966)	
Other comprehensive income:					
Change in fair value of investments	(185)	-352	(291)	192	
Total comprehensive income (loss) for period	(35,884)	(30,641)	(78,379)	(95,774)	
Loss per stock unit of \$1.00	(\$0.62)	(\$0.53)	(\$1.36)	(\$1.67)	

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

2011 2010

**CASH FLOWS FROM OPERATING ACTIVITIES**

Loss	(78,088)	(95,966)
Adjustments for:		
Depreciation	9,815	9,859
Interest income	(17)	(645)
Interest expense	17,314	27,511
Change in other assets:	(50,976)	(59,241)
Change in Accounts receivable	(13,230)	(55,138)
Change in inventories	3,739	(6,622)
Change in taxation payable	5,924	3,685
Due to related parties	61,804	(139,844)
Change in accounts payable	6,116	(26,617)
	64,353	(224,536)
	13,377	(283,777)
Interest paid	(17,314)	(27,511)
Net cash provided / (used) by operating activities	(3,937)	(311,288)

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received	17	645
Proceeds from disposal of fixed assets		530,142
Additions to property, plant and equipment	(854)	(11,053)
	(837)	519,734

**CASH FLOWS FROM FINANCING ACTIVITIES**

Dividends	(3,867)	(3,441)
Loan (net)	(6,994)	(114,164)
Net cash provided / (used) by financing activities	(10,861)	(117,605)
Net increase/ (decrease) in cash and cash equivalents	(15,634)	90,841
Cash and cash equivalents at beginning of the year	(37,456)	(133,719)
Cash at end of period	(53,090)	(42,878)

Comprising of:

Cash	2,040	4,568
Bank overdrafts	(55,130)	(47,446)
	(53,090)	(42,878)

The Jamaica Livestock Association Limited  
Statement of Changes in Shareholders' Equity  
S'000

<u>(Unaudited)</u>	Share capital	Capital reserves	Investment Revaluation reserve	Deficit	Total
Balances at November 30, 2009	115,877	789,274	(780)	(392,090)	512,281
Total comprehensive income for the period:					
Loss for the period				(95,966)	(95,966)
<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			192		192
Total comprehensive income for the period		(423,532)	192	332,290	(91,050)
<b>Distribution to owners of the company:</b>					
Dividends				(3,441)	(3,441)
<b>Balances at August 31, 2010</b>	<b>115,877</b>	<b>365,742</b>	<b>(588)</b>	<b>(63,241)</b>	<b>417,790</b>
Balances at November 30, 2010	115,877	488,407	(852)	(90,395)	513,037
Total comprehensive income for the period:					
Loss for the period				(78,088)	(78,088)
<b>Other Comprehensive Income:</b>					
Decrease in fair value of investments			(291)		(291)
Total comprehensive income for the period			(291)	(78,088)	(78,379)
<b>Distribution to owners of the company:</b>					
Dividends				(3,867)	(3,867)
<b>Balances at August 31, 2011</b>	<b>115,877</b>	<b>488,407</b>	<b>(1,143)</b>	<b>(172,350)</b>	<b>430,791</b>

The Jamaica Livestock Association Limited  
 Stockholding of Directors and Officers  
 As at August, 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	
Steven Fong-Yee	Nil	375,997
Audley Deidrick	Nil	
Andrea Sweeney	1,099,000	

List of 10 largest blocks of shares  
 As August 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 August 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 effective 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 August 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 NINE MONTHS 2011

	POULTRY	FARM SUPPLIES	TOTAL
Revenue from External Customers	175,065	296,326	471,391
Segment results	12,976	(78,445)	(65,469)
Interest and other income			4,695
Loss from operations			(60,774)
Finance costs			(17,314)
Loss for the period			(78,088)
Segment assets	233,166	468,883	702,049
Unallocated Assets			51,689
Total assets			753,738
Segment Liabilities	80,208	240,623	320,831
Unallocated liabilities			2,116
Total Liabilities			322,947
Capital expenditure	497	357	854
Depreciation	1,959	7,856	9,815



SEGMENT RESULTS NINE MONTHS 2010

	POULTRY	FARM SUPPLIES	TOTAL
Revenue from External Customers	258,292	334,680	592,972
Segment results	10,401	(86,692)	(76,291)
Interest and other income			7,836
Loss from operations			(68,455)
Finance costs			(27,511)
Loss for the period			(95,966)
Segment assets	232,233	405,470	637,703
Unallocated Assets			47,321
Total assets			685,024
Segment Liabilities	67,094	198,276	265,370
Unallocated liabilities			1,864
Total Liabilities			267,234
Capital expenditure	412	10,641	11,053
Depreciation	1,957	7,902	9,859

**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 August 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

11-Oct-11