



**LASCO Manufacturing Limited**  
**Second Quarter Unaudited Financial Report**  
**for the period ended**  
**30<sup>th</sup> September 2012**

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The financial crisis throughout the world for the last three years, and the speed with which it spread across borders, has provoked much reflection and analysis internationally, including Jamaica. Although the Jamaican economy shows little signs of advance improvement, we at LASCO Manufacturing continues to focus on our financial operation, growth and improvement goals while fulfilling our ‘more for shareholders’ promise.

We are constantly striving to meet our shareholder’s expectations and to augment the quality and efficiency of our operation through investment in appropriate technology, staff training and product development.

The Board of Directors in its meeting has taken on record the unaudited results of LASCO Manufacturing Ltd for quarter ended September 30, 2012

The second quarter Company’s unaudited results reported revenue of J\$958M which registered 12% increase over the same period last year. We have made every effort to improve the consistent delivery of some raw material and packaging material as the reduction in this flow created a shortfall in our projected yield and by extension caused a lower than expected financial performance for the past quarter. Our financial performance will improve as we meet the demand for the next quarter based on the strategic decision to extend our range of suppliers which will increase our performance.

During this period we proudly sponsored our Teacher and Principal of the Year Award Ceremony and we wish to felicitate our winners.

The quarter has been successful for us as we have moved to another phase of the completion of our new state of the art plant facilities. With the total capital spends at September 2012 being J\$1.36b and loan drawn down is J\$350M of the approved J\$1.4b, we would have reduced the projected interest expense which will add more value to our shareholders’ equity through increased profit.

As we anticipate our new plant and product range which will add value and profit to our operation, we have recruited some of the best from the industry to ensure a smooth start-up of our production. This came with a cost and is included in our operating expenses.

The next quarter should be ‘smooth sailing ’as we work towards the opening of our new facilities and I look forward to being able to make further announcements and update you at that time.

A handwritten signature in black ink, appearing to be "E. Chin", written in a cursive style.

**Dr. Eileen Chin**

**Managing Director**

**Lasco Manufacturing Limited**

## Statement of Comprehensive Income

Six Months Ended 30 September 2012

(Unaudited)

	3 months to 30 Sept 2012 \$'000	3 months to 30 Sept 2011 \$'000	6 months to 30 Sept 2012 \$'000	6 months to 30 Sept 2011 \$'000
Revenue	958,046	794,833	1,793,459	1,579,386
Cost of Sales	700,692	578,270	1,291,054	1,115,908
Gross Profit	257,354	216,563	502,405	463,478
Other Income	11,287	6,789	18,063	13,583
Operating Expenses	(108,145)	(68,597)	(200,330)	(170,975)
Profit from Operations	160,496	154,755	320,138	306,086
Finance Cost	(7,764)	418	(13,871)	74
Profit Before Taxation	152,732	155,173	306,267	306,160
Taxation	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>152,732</b>	<b>155,173</b>	<b>306,267</b>	<b>306,160</b>
Number of stock units issued	3 408,713	408,713	408,713	408,713
<b>Earnings per Stock Unit During the Period</b>	<b>0.37</b>	<b>0.38</b>	<b>0.75</b>	<b>0.75</b>

**Lasco Manufacturing Limited**  
**Statement of Financial Position**  
**30-Sep-2012**  
(Unaudited)

	Period ended SEP-12 \$'000	Period ended SEP-11 \$'000	Year ended MAR-12 \$'000
<b>NET ASSETS EMPLOYED</b>			
Non-Current Assets			
Property, Plant & Equipment	205,295	173,567	212,990
Capital Work in Progress	1,268,636	394,215	796,617
<b>Current Assets</b>			
Inventories	283,045	209,592	283,454
Trade and other receivables	709,548	444,927	450,185
Director's current account	10,792	11,483	11,699
Taxation recoverable	12,524	-	12,475
Cash	48,603	177,093	34,618
	1,064,512	843,095	792,431
<b>Current Liabilities</b>			
Trade and Other Payables	481,332	274,859	240,956
Bank Overdraft	101,363	-	204,381
Corporation Tax Payable	-	29,319	-
	582,695	304,178	445,337
Net Current Assets	481,817	538,917	347,094
	1,955,748	1,106,699	1,356,701
<b>Financed by:</b>			
Share Capital	3 305,298	305,298	305,298
Capital Reserves	924	924	924
Retained Earnings	993,259	462,719	462,719
Current Earnings	306,267	306,160	587,760
	1,605,748	1,075,101	1,356,701
<b>Non-Current Liabilities</b>			
Deferred Taxation	-	31,598	-
Long Term Debt	350,000	-	-
	1,955,748	1,106,699	1,356,701

Approved for issue by the Board of Directors on 29 October 2012 and signed on its behalf by:

  
Lascelles Chin      Chairman

  
Eileen Chin      Director

**Lasco Manufacturing Limited**  
Statement of Cashflows  
Six Months ended 30 September 2012  
(Unaudited)

	Sep-12 \$'000	SEP-11 \$'000
<b>SOURCES/(USES) OF CASH</b>		
<b>Operating Activities</b>		
Profit for the period	306,267	306,160
Items not affecting cash	14,232	17,798
Changes in non-cash working capital	(489,739)	(303,786)
Items not affecting cash and changes in non-cash working capital components	(475,507)	(285,988)
Cash provided by Operating Activities	(169,240)	20,172
Cash used in Investing Activities	165	(1,147)
Cash used in Financing Activities	286,078	(59,467)
Increase in Cash	117,003	(40,442)
Cash at the beginning of the period	(169,763)	217,535
Cash at the end of the period	(52,760)	177,093
<b>Comprised of:</b>		
Fixed Deposit	28,267	138,453
Cash at Bank	20,336	38,640
Bank Overdraft	(101,363)	-
	(52,760)	177,093

**Lasco Manufacturing Limited**

## Statement of Changes in Stockholders' Equity

Six Months ended 30 September 2012

(Unaudited)

	2012			
	Share Capital	Capital Reserve	Retained Earnings	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 April 2012	305,298	924	1,050,479	1,356,701
Dividend	0	0	(57,220)	(57,220)
Total Comprehensive Income for the period	0	0	306,267	306,267
<b>Balance at 30 September 2012</b>	<b>305,298</b>	<b>924</b>	<b>1,299,526</b>	<b>1,605,748</b>

	2011			
	Share Capital	Capital Reserve	Retained Earnings	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 April 2011	305,298	924	524,024	830,246
Dividend	0	0	(61,305)	(61,305)
Total Comprehensive Income for the period	0	0	306,160	306,160
<b>Balance at 30 September 2011</b>	<b>305,298</b>	<b>924</b>	<b>768,879</b>	<b>1,075,101</b>

**LASCO MANUFACTURING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**THREE MONTHS ENDED 30 SEPTEMBER 2012**

**1. IDENTIFICATION AND PRINCIPAL ACTIVITIES:**

- (a) Lasco Manufacturing Limited is a limited liability company incorporated and domiciled in Jamaica. The registered office of the company is 27 Red Hills Road, Kingston 10, and it currently operates from leased premises at 38½ Red Hills Road, Kingston 10.
  
- (b) The principal activities of the company are the manufacturing of soy based products and packaging of milk based products. Distribution of these products is done in the local and export markets.

**2. SIGNIFICANT ACCOUNTING POLICIES:**

These financial statements have been prepared; in accordance with International Financial Reporting Standards (IFRS); and the adopted interpretation of those standards by the International Accounting Standards Board, and have been prepared under the historical cost convention. They are also prepared in accordance with provisions of the Jamaican Companies Act.

The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the year ended 31st March 2012.

These financial statements are presented in Jamaican dollars unless otherwise indicated.



**LASCO MANUFACTURING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**THREE MONTHS ENDED 30 SEPTEMBER 2012**

**3. SHARE CAPITAL:**

	2012	2011
	<u>\$'000</u>	<u>\$'000</u>
Authorised -		
Number of Ordinary shares		
442,750,000 - 30 September 2012		
442,750,000 - 30 September 2011		
Issued -		
Number of Ordinary shares		
408,713,017 - 30 September 2012		
408,713,017 - 30 September 2011	<u>305,298</u>	<u>305,298</u>